DOMINION OF CANADA

OFFICIAL REPORT

OF

DEBATES

HOUSE OF COMMONS

FIRST SESSION—SIXTEENTH PARLIAMENT

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17 GEORGE V, 1926-27

VOLUME II, 1926-27

COMPRISING THE PERIOD FROM THE SEVENTEENTH DAY OF MARCH, 1927, TO THE FOURTEENTH DAY OF APRIL, 1927, INCLUSIVE

BEING

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OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1927

CANADA

House of Commons Debates

OFFICIAL REPORT

Thursday, March 17, 1927.

The House met at three o'clock.

PRIVATE BILLS

FIRST READINGS

Bill No. 153, respecting the Baptist Convention of Ontario and Quebec.—Mr. Edwards (Ottawa).

Bill No. 154, to incorporate "North American Relations Foundation".—Mr. Jacobs.

STANDING ORDERS COMMITTEE

Mr. E. A. LAPIERRE (Nipissing) moved:

That the first report of the select committee on standing orders presented on Thursday, 10th March, be concurred in.

Motion agreed to.

COMMITTEES—PERSONNEL

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the name of Sir Henry Drayton be substituted for that of Mr. Young (Toronto Northeast) on the select committee on standing orders, and that the name of Mr. Young (Toronto Northeast) be substituted for that of Sir Henry Drayton on the select standing committee on railways, canals and telegraph lines.

Motion agreed to.

TRADE MARK AND DESIGN ACT AMENDMENT

Hon. PETER HEENAN (Minister of Labour) moved for leave to introduce Bill No. 171, to amend the Trade Mark and Design Act.

Mr. GUTHRIE. Explain.

Mr. HEENAN: The purpose of this bill is to give permission to the labour unions of Canada to register their labels and to prevent the use of forgeries or counterfeits. While giving the right to unions to register labels, the bill provides that no label can be placed on any goods without the consent of the proprietor of such goods. A similar protection is given to the labour unions in many states of the union and in Great Britain.

Motion agreed to and bill read the first time.

CANADA EVIDENCE ACT AMENDMENT

Hon. FERNAND RINFRET (Secretary of State) moved the first reading of Bill No. 152 (from the Senate) to amend the Canada Evidence Act as respects bank books and records.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

MARITIME PROVINCES ARCHIVIST

Mr. BELL (St. John-Albert):

1. Is there an archivist for the maritimes?
2. If so, what is his name, the date of appointment, and salary?
3. Do his duties require him to be in the maritime provinces?
4. How many months is it since he visited the offices in Saint John and Halifax?

Hon. Mr. RINFRET:

1. Yes.
2. Dr. J. D. Logan—16th February, 1925—$2,520.
3. Yes, unless it is desirable in the interests of his office and the department for him to visit other places.
4. About five months.

PEACE RIVER TELEPHONE SERVICE

Mr. SPENCER:

1. Is it the intention of the government to build a telephone line in the Peace river country?
2. If so, for what distance?
3. Between what points?
4. Have tenders been invited?
5. Will consideration be given to seniority of service of applicants who tender for the work?

Hon. Mr. ELLIOTT:

Nos. 1 to 5. Matter under consideration,

PATRONAGE IN SOUTH ESSEX

Mr. GOTT:

1. Who holds the patronage for the constituency of Essex South?
2. Must all governmental undertakings be passed by him before they become operative?
3. Is it the intention of the government to adhere stricly to the line of party patronage in Essex South?

Right Hon. Mr. MACKENZIE KING: I ask Your Honour's ruling on this question. It seems to me to belong to a class of questions that should not be permitted to appear on the order paper.

Mr. SPEAKER: I will examine the point.

MISSION CITY—PUBLIC BUILDING SITE

Mr. BARBER:

1. Was a site purchased at Mission City, British Columbia, for public building?
2. If so, when was it purchased?
3. What price was paid?
4. What was the total revenue from the Mission City post office for the year 1926?
5. How many rural routes are served through the Mission City post office?
6. How many boxes on each route?
7. What is the post office accommodation at present at Mission City?
8. If premises leased, what is the rental?
9. To whom is rental paid?

Hon. Mr. RINFRET:

1. Yes.
2. January, 1913.
3. $6,000.
4. $6,669.21.
5. None.
6. Answered by No. 5.

7, 8 and 9. Eight hundred and fifteen square feet is provided for postal purposes in a building owned by the postmaster. The postmaster is granted a rent allowance of five hundred dollars a year based on the revenue.

DAWSON POST OFFICE

Mr. BLACK (Yukon):

1. Was a vacancy in the post office at Dawson, Yukon, filled during November or December last, by temporary appointment made without reference to the Civil Service Commission and without the preference to be given to applicants who are returned soldiers?
2. If so, will an opportunity be afforded returned soldiers to apply for and compete by examination for appointment to said position, and when?

Hon. Mr. VENIOT:

1. Yes, temporary appointment.
2. Yes, if permanent appointment becomes necessary.

STEAMER PELEE

Mr. GOTT:

1. What is the cash subsidy paid to the steamer Pelee for the year 1927?
2. When was the contract drawn for the 1927 season?
3. On whose recommendation was it passed?
4. Is the following item which appeared in The Amherst Echo on March 25th correct.

"The steamer Pelee subsidy has been cut to $11,000—a reduction of $2,750—according to the budget brought down in the Dominion House this week."

[Mr. Gott.]

5. Will the government please explain?
6. Is the government aware that the company to whom the subsidy is granted has paid high dividends for some years past—having paid as high as 25 per cent?
7. Was there any attempt made this season to reduce the subsidy as promised by the department in July last?

Hon. Mr. MALCOLM:

1. The contract subsidy is $11,000.
2. The contract is dated February 25, 1927.
3. The recommendation of the minister.
4. No. While the subsidy is $11,000 it has stood at this figure for several years. There is only an apparent decrease in 1927-28, due to the fact that there was an increase of $2,750 included in the esimates for 1926-27, to cover a similar amount remaining unpaid from the year 1925-26, due to the fact that the steamship company sent in their subsidy claim for the last quarter of their contract after the books of the Auditor General had closed for 1925-26. This amount, therefore, had to be paid out of 1926-27 funds and provision made therefor in the estimates.
5. Answered by No. 4.
6. No. From information in the department it would appear that the average profit is very moderate.
7. No.

QUESTIONS PASSED AS ORDERS FOR RETURN

FARM INDEBTEDNESS OF PRAIRIE PROVINCES

Mr. CARMICHAEL:

1. How many farms in the province of Saskatchewan are mortgaged?
2. How many have first mortgages?
3. How many have second, third, and fourth mortgages?
4. What is the total mortgage debt of Saskatchewan farms?
5. How many farmers in Saskatchewan were assessable under the Dominion Income Tax Act for the last preceding year?
6. What is the total federal provincial, urban, and rural debt of Saskatchewan, Alberta, and Manitoba, respectively?
7. How many farms in each of the three prairie provinces have Dominion seed and relief loans against them, and what is the total of such in each province?
8. How much money is invested in farm machinery in Saskatchewan?
9. How much money is owing by farmers on such farm machinery in the said province?

IRON AND STEEL—EXPORTS AND IMPORTS

Mr. SMITH (Cumberland):

1. What quantity of iron and steel and their products, of all grades and classes—specifying the grades and quantities, naming the country of origin and the value in grades and classes—was imported into Canada for the year ending in January, 1927?
2. What quantity of iron and steel and their products, of all grades and classes—specifying

the grades and quantities, showing the provinces of origin in Canada, the country of destination and the value in grades and classes—was exported from Canada for the year ending in January, 1927?

CIVIL SERVICE SALARIES

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): Has the government arrived at a decision as to whether or not it will introduce at this session a measure for the revision of civil service salaries?

Right Hon. W. L. MACKENZIE KING (Prime Minister): A decision has not been arrived at as yet. The matter is still under consideration.

CANADIAN NATIONAL RAILWAYS

ROSEDALE BRANCH

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to extend the time for two years for the completion of the joint section of the Canadian National railway branch line from Rosedale southwesterly, in the province of Alberta, authorized by chapter 30 of the statutes of 1924.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

REFRIGERATOR CARS FOR SEED POTATOES

On the Orders of the Day:

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): On Tuesday the hon. member for Prince (Mr. MacLean) asked for certain information respecting the refrigerator car service in Prince Edward Island. I have made inquiries and I find that between the 1st and the 15th of March, 181 refrigerator cars were delivered to the island. There are 30 cars on hand at Cape Tormentine this morning, which will be ferried across to-day. There are 27 cars in transit from Halifax and Moncton for the cape to-day, due to-morrow morning at the island; also 78 cars in transit from Montreal to Riviere du Loup. That makes a total of 135 cars at the cape or in transit, for loading. The railway management is informed that the requirements call for 200 cars, but the 135 cars which are now at the cape or in transit will provide sufficient for at least three days loading, and a further supply will be moved out of Montreal to-morrow.

LIMITATION OF NAVAL ARMAMENT

On the Orders of the Day:

Mr. PETER McGIBBON (Muskoka-Ontario): I have in my hand, Mr. Speaker, a despatch from Washington to the effect that Canada is not going to be asked to the conference on naval armament limitation. I would like to ask the Prime Minister if, in view of our improved national status, he is going to take any action to uphold our dignity in this matter.

Right Hon. W. L. MACKENZIE KING (Prime Minister): If my hon. friend refers to the same despatch which I have seen, I hardly think it would be proper to express an opinion on a despatch that comes to us from Washington, but which relates to matters of which the government itself has no knowledge. I think we may well wait to see what action may be taken by the United States government before commenting on the despatch.

BRITISH COLUMBIA FISHERIES—SEAPLANE PROTECTION

On the Orders of the Day:

Mr. A. W. NEILL (Comox-Alberni): May I call the attention of the government to the necessity for a prompt decision as to what they are going to do about a seaplane service for the protection of the fisheries of the Pacific coast. I understand that there is an alternative system offered by private service, but unless a decision is made soon it will be too late, because the season is coming on and the protection will soon be required.

RURAL MAIL BOX

On the Orders of the Day:

Mr. W. G. McQUARRIE (New Westminster): May I inquire from the Postmaster General (Mr. Veniot) if he has been able to come to a decision in regard to rural mail boxes? As I understand it, there has been some difficulty in deciding on the style of box to be used, and in the meantime routes are being held up because of the want of these boxes. It seems to me a rather awkward situation that should not be allowed to continue.

Hon. P. J. VENIOT (Postmaster General): The establishment of any rural route is not being held up in consequence of the Postmaster General not yet having arrived at a decision as to the style of boxes to be adopted. I have not reached a decision, however, as to the style of boxes, but I expect to within a few days.

MARITIME CLAIMS COMMISSION

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): I might say to my hon. friend opposite and to the House that I had expected to make a statement to-day with respect to the royal commission on maritime claims. Unfortunately, I have been delayed in the matter. I will promise it by Monday at the latest, but I hope to be able to give the statement to the House on the orders of the day to-morrow.

CANADA GRAIN ACT

RE-INTRODUCTION OF LEGISLATION

On the Orders of the Day:

Mr. M. LUCHKOVICH (Vegreville): I have received more than a dozen letters in the last week from farmers of the west asking me what the government is going to do in regard to the measures that were before the House last year, but which failed to become law owing to the dissolution of parliament. The farmers of the west are very anxious to know what is going to be done; they do not wish to see these measures go by the board, and they are afraid that some of these measures might not be re-introduced in this parliament at all. I have a letter here from P. B. Anderson, of Tofield, Alberta, dated March 8, 1927, and reading as follows:

Dear Sir:

At the untimely dissolution of the last Dominion parliament there were several important measures that went "in the wash". I am referring especially to the Agricultural Credits bill and to the amendments to the Grain Act. Those two measures, it seems to me, are of the greatest importance to us farmers of western Canada. We are therefore keenly and anxiously watching and waiting to know what will be done with them at this session of parliament.

Mr. SPEAKER: Order. The hon. member cannot by way of quoting from a letter state what he could not state verbally himself. He has put his question to the government, and he cannot go on to comment on the grievance.

Mr. LUCHKOVICH: I would like to ask the Minister of Trade and Commerce what is going to be done with the amendments to the Grain Act.

Hon. JAMES MALCOLM (Minister of Trade and Commerce): I can assure my hon. friend that the amendments to the Grain Act will be brought down in due course. I fully expected that they would have been brought down before this, but other legislation had to take precedence. They will be brought down following the report on the maritimes.

[Mr. Veniot.]

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL COMPANY

On the Orders of the Day:

Mr. T. E. KAISER (Ontario): I should like to read a resolution passed by the corporation of the town of Whitby, opposing the Georgian bay canal—

Mr. SPEAKER: The hon. member will kindly table the resolution or place a question on the order paper. That is the regular proceeding.

SPECIAL WAR REVENUE ACT, 1915, AMENDMENT

The House resumed from March 15 consideration in committee of Bill No. 149, to amend the Special War Revenue Act, 1915—Hon. Mr. Robb—Mr. Johnston in the chair.

Sections 1 to 3 inclusive agreed to.

On section 4—Printers, etc., to be deemed producers or manufacturers.

Mr. BENNETT: I asked the minister the other day a question regarding the amount of business that had to be transacted before the section could apply. The matter is one of regulation?

Mr. ROBB: Yes.

Mr. BENNETT: I daresay that other members have received, as I have done, a circular letter from the Retail Trade Bureau of Canada dealing with this phase of the bill, and if the matter is one of regulation it is unnecessary to discuss it further than to ask the government to give it that attention which the memorandum warrants.

Mr. ROBB: The minister who administers the act has the matter under consideration, but it is not sufficiently advanced to justify a report upon it.

Section agreed to.

Section 5 to 9 inclusive agreed to.

On section 10—When paragraphs 3, 4, 5 and 6 of section 5 and section 6 come into force.

Mr. BENNETT: Why July 6?

Mr. ROBB: That is the date the returns come in for the previous quarter.

Mr. BENNETT: If you make it July 6 there will be several days in that month to which the old rates will apply and the returns will have to be made accordingly. The date should be changed. As it stands it rather complicates than simplifies matters.

Mr. ROBB: This is the date proposed by the department.

Sir GEORGE PERLEY: The minister will have to reconsider it. It is true that the returns for the previous quarter come in on the sixth of July, but the banks will make up the statement for the previous month on the first day of August.

Mr. ROBB: They will have until the sixth to collect.

Sir GEORGE PERLEY: Yes, but on the first day of August the banks will have to send in their accounts for the stamp tax up to July sixth. That is what they will have to do according to the bill as it stands, and that is not the intention.

Mr. BENNETT: The minister will see that according to the printed explanation of this section it is not intended that the tax shall continue for the quarter beginning the first day of July, 1927, but the statute distinctly says that it shall.

Mr. ROBB: The department, having considered the matter, has proposed the date here fixed. They will have until July 6 to make the returns.

Mr. BENNETT: The matter does not require any argument. If the statute is not repealed until July 6, then obviously the old law will apply to the first six days of that month. No argument is necessary.

Mr. ROBB: The Department of Justice has ruled that if the old law is repealed as from the first day of the month we shall not be able to collect for the previous quarter.

Mr. BENNETT: I suggest that you might overcome that difficulty by substituting the third for the sixth, inasmuch as the first, second and third days of July are holidays. If you make it the sixth, the tax will still have to be paid for two days.

Mr. ROBB: I would direct my hon. friend's attention to the following provision in the Special War Revenue Act:

> Whenever an advance is made by a bank to any person by way of overdraft the bank shall, on the last day of each month, or within five days thereafter prepare a statement showing the maximum amount of the overdraft...

Mr. BENNETT: The language of the bill rather disguises thought.

Mr. ROBB: I am going by the Justice department.

Mr. BENNETT: I do not think the Department of Justice ever said that.

Section agreed to.

Bill reported.

Mr. ROBB moved the third reading of the bill.

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, on the motion for the third reading of this bill I beg to move an amendment in the following terms:

> That all the words after "that" be struck out and the following substituted therefor:
>
> In the opinion of this House the application of sales tax in respect of personal clothing and boots and shoes places a heavy and unnecessary burden upon the people of Canada, and should be discontinued.

I have endeavoured to frame this amendment in accordance with the rules of the House, Mr. Speaker, but it may be that in the result I would have been able only to express what Your Honour has time and again described as a pious aspiration on the part of the House. This amendment really involves the opinion of this House in regard to the propriety of maintaining the present sales tax upon personal wearing apparel and boots and shoes.

In discussing the budget some days ago I went rather thoroughly into the question of the sales tax and on this occasion I do not intend to more than mention the matter. We are all aware that the sales tax which has existed in Canada for the past two years has been a direct tax of five per cent upon many household necessities. Food has largely been exempted since the institution of that tax. The sales tax was originally placed upon commodities because the needs of the treasury were very great at the time because of war expenditures which were piling up, but even at that trying time it was considered proper to exclude food from that tax. As originally imposed, that tax was at the rate of three per cent; the present government, or its predecessors in office, raised the tax to six per cent and then reduced it to five per cent, at which figure it has remained until the present time. Among those necessities of life which are subject to this tax are personal clothing and boots and shoes.

In the budget this year the Minister of Finance (Mr. Robb) proposed to reduce that tax from five per cent to four per cent, an announcement which will be very welcome, of course, throughout Canada. But that four per cent will still be levied upon the clothing and the boots and shoes of the people of this country. I think I am within the opinion of the House when I say it is the general desire of hon. members here that this tax as against these specified articles should be discontinued. From the manner in which this government proposes to go on spending money during the next six months, as evidenced by the estimates which have been going

through day after day, it is apparent to all that the treasury can easily forego the small amount of tax which will be derived from clothing and boots and shoes, in comparison with the vast bulk of the revenue of Canada. We have already voted large sums of money—in many instances unnecessarily—for expenditure this year, which sums might well be saved to the treasury, and as we proceed further with the estimates we will come upon almost page after page of similar and larger votes. By the practise of a little economy large amounts could be saved; by the practise of that economy it would be absolutely unnecessary to impose a tax on clothing and boots and shoes. We all use clothing and we must all wear boots and shoes; this tax is a burden upon every class of our citizens but, like all taxes, it is felt most by those in the poorer walks of life, and it will be a great relief to the ordinary people of Canada if this tax is discontinued. I would like to have the opinion of this House upon this subject, and for that purpose I have moved this amendment.

Hon. J. A. ROBB (Minister of Finance): Mr. Speaker, with the observation of my hon. friend that the sales tax is an expense to the country, and particularly the sales tax on boots and shoes and clothing, no person will find fault. Everyone admits that the sales tax adds to the cost of each commodity, and with the sentiment that as quickly as possible we should get rid of this tax we on this side of the House are in accord. That has been the policy of this government; we have been gradually reducing the sales tax.

I had occasion earlier this session to quote figures showing that at one time the sales tax on boots and shoes could have been pyramided until it was about eight per cent, but generally speaking at no time then was this tax on boots and shoes less than seven per cent. Under the act brought in by Right Hon. Mr. Fielding, I do not recall the year, we reduced the sales tax to a flat six per cent as the maximum; in 1924 we reduced the sales tax on all materials, and indeed on many commodities required on the farm that tax was eliminated altogether. On articles required for production, such as agricultural implements, dairy utensils and articles used by fishermen and lumbermen the tax was eliminated altogether, and the general tax was reduced to a maximum of five per cent. But the sales tax on boots and shoes, which was previously as high as eight per cent and in most cases seven per cent, was reduced by this government in 1924 to a maximum of two and one-half per cent. Under the legislation of this year we have again reduced the sales tax on boots and shoes to two per cent—the maximum on boots and shoes now is two per cent—and we have also reduced the sales tax on clothing to four per cent.

Let me point this out to my hon. friend before I come to what I regard as the most serious objection to his amendment: As regards clothing you cannot take the sales tax off an ordinary suit of clothes such as members of parliament require, without taking the sales tax also off high priced gowns, sealskin jackets, and all the other costly articles of feminine apparel. So the question is one of fairness in that regard. Is it not better that we should have lowered the sales tax as we did by a gradual reduction of twenty per cent all along the line, rather than have picked out a few articles of commerce and reduced the tax on those. But there was another and more serious reason. I think I can prove to my hon. friend that it is not in the general interests of the people he represents in parliament that we should take the whole of this sales tax off at once. There are throughout this country many merchants—in fact hundreds even thousands of merchants—with their stock bought. They have bought that stock on the basis of the sales tax as it exists. If you wipe that sales tax off at one stroke you do a great injury to many small merchants, particularly small country merchants, throughout Canada. I am convinced—I am free to admit it now—that in 1924 when we reduced the sales tax from six per cent to two and one-half per cent we made a mistake. We made a mistake because we placed many small merchants throughout the country in an embarrassing position. Letters came to the department from all over Canada asking for a rebate, and telling us: We have bought our stock; we bought those stocks of boots and shoes on the basis of a six per cent sales tax, and you have at one stroke reduced that sales tax to 2½ per cent. To that extent you have taken away our profits. You have placed a competitor who may come and open a store right opposite to us in such a position that we are not able to compete with him. I suggest to my hon. friend that if his amendment is adopted he will be doing great injury to many merchants throughout this country. In proof of that I have the statement, prepared after very careful consideration, of the Retail Merchants Association. I will admit at once that the large departmental stores that get rid of their stock quickly might look with favour upon this amendment, but the country merchants will not regard it with very great favour, be-

cause, as the Retail Merchants Association represent to us, there are hundreds and thousands of merchants throughout the Dominion who say they cannot afford to absorb this reduction of the sales tax all at once. Now since the budget has been brought down, to be accurate no later than the day before yesterday, a delegation of the Retail Trade Bureau came to my office and said: Mr. Robb, you were right in making this gradual reduction. We can stand that, we can absorb it. I say right now that the policy of the government is, in so far as possible, to get rid of this sales tax gradually.

There is just one other point. It seems to me that if this amendment goes through it will have the effect of killing the whole reduction that I have introduced, the gradual twenty per cent reduction on all other lines. For that reason I am opposed to it.

Mr. SPEAKER: Is the House ready for the question?

Mr. ROBB: Do you regard the resolution as in order, Mr. Speaker?

Mr. SPEAKER: I am of opinion that the amendment is in order and I am fortified in this view by the opinions of May and Bourinot. According to Bourinot, page 431:

All the authorities go to show that, when the government have formally submitted to the House the question for the revision of customs and excise duties, it is competent for a member "to propose in committee to substitute another tax of equivalent amount for that proposed by ministers, the necessity of new taxation to a given extent being declared on behalf of the crown".

And Bourinot adds:

It is also competent for any member to propose another scheme of taxation for the same purpose, as a substitute for the government plan. But it is not regular to propose a new and distinct tax, which is not a mere increase or diminution of a duty upon an article already recommended by government for taxation, though it is the function of this committee to impose rather than to repeal taxes.

And here again:

But nevertheless numerous instances will be found in Canadian, as well as English, practice, of committees having been appointed to consider questions of taxation, notwithstanding the opposition of the government. The whole question came up in 1877 in the Canadian House, and Mr. Speaker Anglin decided, in accordance with English precedents, that it is open to a committee to whom a question of taxation is referred, "to express an abstract opinion as to the expediency or inexpediency of imposing a duty."

Then May, page 390, lays down this rule:

It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill.

It might be argued that this is not a second reading, but on this point page 421, May also says that on the third reading of a bill, such amendments as have been described in reference to a second reading may be proposed to the question for now reading the bill.

In my opinion when only an abstract opinion on a matter of taxation is presented by way of amendment it is permissible. The question is on the amendment. Those in favour of the amendment will please say "aye". Those opposed to the amendment will please say "nay".

Mr. CANNON: Before the question is put—

Mr. STEVENS: The hon. member is out of order, the question has been put.

Mr. GUTHRIE: I rise to a point of order. The question has been put and I submit that no discussion can now take place.

Mr. CANNON: Mr. Speaker, I—

Some hon. MEMBERS: Question.

Mr. SPEAKER: Order, please. The hon. leader of the opposition is right. The question was put. Does the hon. member wish to speak to a point of order?

Mr. CANNON: I rose and asked Your Honour not to put the question, but notwithstanding my request the question was put. Technically Your Honour is right and if the leader of the opposition wishes to take advantage of that technicality—

Some hon. MEMBERS: Order.

Mr. SPEAKER: There are, of course, amenities which should be observed in debate. I did not see the hon. gentleman rise at the time stated by him, and I leave it to the House to say whether or not the hon. member should be given an opportunity to state his point now. It is true that I put the question, and that the hon. gentleman is not in order in seeking to state his point now, but we must observe amenities here and I take it the House will allow the hon. gentleman to proceed.

Mr. STEVENS: I rise to support my hon. leader's point of order. I quite agree with what you now suggest, Mr. Speaker, that if the hon. Solicitor General had risen before you put the question he would be entitled to proceed. But the question was put before my hon. friend rose in his place.

Mr. CANNON: No, no.

Mr. STEVENS: I have no desire to prevent my hon. friend from speaking, but at the same time we must have some reasonable observance of the rules.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think you will agree, Mr. Speaker, that seated where I am, I am in a position to judge whether the Solicitor General was on his feet and had addressed his question to Your Honour before Your Honour put the question to the House—

Some hon. MEMBERS: Order, order.

An hon. MEMBER: You had your back to him.

Mr. MACKENZIE KING: Even with my back to the Solicitor General I heard him say to Mr. Speaker that he wished to raise a point of order before His Honour put the question.

Mr. WOODSWORTH: I should like to say on the point of order that there should be the same rule for to-day as for yesterday. Hansard corroborates the position which I took yesterday. No amenity was shown yesterday.

Mr. SPEAKER: I will state again that I had not seen the Solicitor General. He states that he rose—and I must take his word—before I had put the question. If there is not unanimous consent I must proceed by putting the question.

The House divided on the amendment (Mr. Guthrie) which was negatived on the following division:

YEAS

Messrs:

Anderson (Toronto-High Park),
Anderson (Halton),
Arthurs,
Barber,
Bell (St. John-Albert),
Bird,
Black (Yukon),
Black (Halifax),
Bowen,
Brady,
Campbell,
Cantley,
Chaplin,
Charters,
Clark,
Coote,
Cotnam,
Cowan,
Dickie,
Edwards (Waterloo South),
Embury,
Ernst,
Esling,
Evans,
Fansher (Last Mountain),
Fraser,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Grimmer,
Guthrie,
Heaps,
Hodgins,
Irvine,
Jones,
Kaiser,
Kellner,
Kennedy,
Lucas,
Luchkovich,
MacDonald (Cape Breton South),
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacLaren,
MacNutt,
Macphail (Miss),
McGibbon,
McGregor,
McQuarrie,
McRae,
Manion,
Matthews,
Maybee,
Peck,
Perley (Sir George),
Pettit,
Preston,
Price,
Quinn,
Rennie,
Robinson,
Ross (Kingston City),
Ryckman,
Senn,
Short,
Simpson,
Sinclair (Wellington North),
Spence (Parkdale),
Spencer,
Stevens,
Stewart (Leeds),
Stinson,
Stirling,
Thompson,
Tolmie,
Tummon,
White (London),
Woodsworth,
Young (Toronto Northeast).—80.

NAYS

Messrs:

Adshead,
Allan,
Auger,
Bancroft,
Beaubien,
Bettez,
Bissett,
Blanchard,
Blatchford,
Boivin,
Bothwell,
Bouchard,
Boulanger,
Bourassa,
Bourgeois,
Bowman,
Bradette,
Brown,
Cardin,
Carmichael,
Casgrain,
Chevrier,
Delisle,
Desaulniers,
Descoteaux,
Donnelly,
Dunning,
Dussault,
Edwards (Ottawa),
Elliott,
Euler,
Fafard,
Fansher (Lambton East),
Fiset (Sir Eugene),
Fontaine,
Forke,
Gershaw,
Gervais,
Girouard,
Glen,
Goodison,
Goulet,
Hall,
Heenan,
Howden,
Ilsley,
Jelliff,
Jenkins,
Johnston (Long Lake),
King (Kootenay East),
King, Mackenzie (Prince Albert),
Laflamme,
Lanctôt,
Langlois,
Lapierre,
Lavigueur,
Letellier,
Lovie,
Macdonald (Glengarry),
MacLean (Prince),
McLean (Melfort),
McIntosh,
McKenzie,
McMillan,
McPhee,
McPherson,
Malcolm,
Marcil,
Millar,
Milne,
Morin (Bagot),
Motherwell,
Neill,
Odette,
Perras,
Power,
Prévost,
Ralston,
Rinfret,
Robb,
Roberge,
Robitaille,
Ross (Moose Jaw),
Rutherford,
St-Père,
Sanderson,
Séguin,

Sinclair (Queens),	Telford,
Smith (Stormont),	Thorson,
Spence (Maple Creek),	Totzke,
Steedsman,	Vallance,
Stewart (Edmonton West),	Verville,
Sylvestre,	Ward,
Taylor,	Young (Saskatoon),
	Young (Weyburn).—102.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Hepburn,	Ryerson,
Duff,	Smith (Cumberland),
Baldwin,	Johnstone (Cape Breton),
Mercier (St. Henri),	Bell (Hamilton),
Raymond,	Bell (St. Antoine),
Guerin,	Maloney,
Lacroix,	Rowe,
Lapointe,	Bennett,
Howard,	Casselman,
McDiarmid,	Hocken,
Cahill,	Ladner,
Dubuc,	Church,
Veniot,	Hanson,
Cannon,	Edwards (Frontenac),
Cayley,	Smoke,
Jacobs,	Cahan,
Rhéaume,	Gott,
Wilson (Vaudreuil),	White (Mount Royal),
Tobin,	Drayton,
Kay,	Wilson (Wentworth),
Pouliot,	Lennox,
Parent,	Boys.

Mr. RYERSON: I was paired with the hon. member for West Elgin (Mr. Hepburn). Had I not been paired, I would have voted for the amendment.

Mr. BENNETT: I was paired with the Minister of Justice (Mr. Lapointe). Had I not been paired, I would have voted for the amendment.

Mr. MALONEY: I was paired with the hon. member for St. Ann (Mr. Guerin). Had I not been paired, I would have voted for the amendment.

Mr. VENIOT: I was paired with the hon. member for York-Sunbury (Mr. Hanson). Had I voted, I would have voted against the amendment.

Mr. BELL (Hamilton): I was paired with the hon. member for St. Henri (Mr. Mercier). Had I voted, I would have voted for the amendment.

Mr. BELL (St. Antoine): I was paired with the hon. member for Beauharnois (Mr. Raymond). Had I voted, I would have voted for the amendment.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted, I would have voted for the amendment.

Mr. SMITH (Cumberland): I was paired with the hon. member for Antigonish-Guysborough (Mr. Duff). Had I voted, I would have voted for the amendment.

Mr. JOHNSTONE (Cape Breton): I was paired with the hon. member for Stanstead (Mr. Baldwin). Had I voted, I would have voted for the amendment.

Mr. DUBUC: I was paired with the hon. member for Toronto Northwest (Mr. Church). Had I voted, I would have voted against the amendment.

Mr. CAYLEY: I was paired with the hon. member for Brant (Mr. Smoke). Had I voted, I would have voted against the amendment.

Mr. ROWE: I was paired with the hon. member for Beauce (Mr. Lacroix). Had I voted, I would have voted for the amendment.

Mr. E. J. GARLAND (Bow River): I voted for the amendment moved by the leader of the opposition because it meant a reduction in taxation, which I think is in keeping generally with the policy—

Some hon. MEMBERS: Order, order.

Mr. GARLAND (Bow River): My hon. friends will find I am in order before I get through, perhaps to their regret rather than their satisfaction. I am opposed to the continuation of both the sales tax and the customs tariff, in so far as they impose a tax especially on the necessaries of life. Without any long discussion, as my hon. friends seem worried about it, let me say that I think every argument advanced by the hon. leader of the opposition is a valid argument also in respect of the customs tariff, and in that case I feel satisfied he will support me when I move the following amendment:

That all the words after "that" be struck out and the following substituted therefor:

In the opinion of this House the application of the customs tariff in respect of personal clothing and boots and shoes places a heavy and unnecessary burden upon the people of Canada and should be discontinued.

I am delighted to note the premature approval of my amendment by some of my hon. friends to my right, but I feel satisfied, Mr. Speaker, that if they stop interrupting long enough to get the line of argument they will support the amendment as we intend to do.

The House divided on the amendment (Mr. Garland, Bow River), which was negatived on the following division:

YEAS

Messrs:

Bird,
Campbell,
Carmichael,
Coote,
Evans,
Fansher (Last Mountain),
Fansher (Lambton East),
Gardiner,
Garland (Bow River),
Heaps,
Irvine,
Kellner,
Kennedy,
Lucas,
Luchkovich,
Macphail (Miss),
Spencer,
Woodsworth.—18.

NAYS

Messrs:

Adshead,
Allan,
Anderson (Toronto—High Park),
Anderson (Halton),
Arthurs,
Auger,
Bancroft,
Barber,
Beaubien,
Bell (St. John-Albert),
Bettez,
Bissett,
Black (Yukon),
Black (Halifax),
Blanchard,
Blatchford,
Boivin,
Bothwell,
Bouchard,
Boucher,
Boulanger,
Bourassa,
Bourgeois,
Bowen,
Bowman,
Boys,
Bradette,
Brady,
Brown,
Cantley,
Cardin,
Casgrain,
Chaplin,
Charters,
Chevrier,
Clark,
Cotnam,
Cowan,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Desaulniers,
Descoteaux,
Dickie,
Donnelly,
Dunning,
Dussault,
Edwards (Ottawa),
Edwards (Waterloo South),
Elliott,
Embury,
Ernst,
Esling,
Euler,
Fafard,
Fiset (Sir Eugene),
Fontaine,
Forke,
Fraser,
Garland (Carleton),
Gershaw,
Gervais,
Girouard,
Glen,
Goodison,
Goulet,
Grimmer,
Guthrie,
Hall,
Heenan,
Hodgins,
Howden,
Ilsley,
Jelliff,
Jenkins,
Johnston (Long Lake),
Jones,
Kaiser,
King (Kootenay East),
King, Mackenzie (Prince Albert),
Laflamme,
Lanctôt,
Langlois,
Lapierre,
Lavigueur,
Letellier,
Lovie,
Macdonald (Glengarry),
MacDonald (Cape Breton South),
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacLaren,
MacLean (Prince),
McLean (Melfort),
MacNutt,
McGibbon,
McGregor,
McIntosh
McKenzie,
McMillan,
McPhee,
McPherson,
McQuarrie,
McRae,
Malcolm,
Manion,
Marcil,
Matthews,
Maybee,
Millar,
Milne,
Morin (Bagot),
Morrissy,
Motherwell,
Neill,
Odette,
Parent,
Peck,
Perley (Sir George),
Perras,
Pettit,
Power,
Preston,
Prévost,
Price,
Quinn,
Ralston,
Rennie,
Rinfret,
Robb,
Roberge,
Robinson,
Robitaille,
Ross (Kingston City),
Ross (Moose Jaw),
Rutherford,
Ryckman,
St.-Père,
Sanderson,
Séguin,
Senn,
Short,
Simpson,
Sinclair (Queens),
Sinclair (Wellington North),
Smith (Stormont),
Spence (Parkdale),
Spence (Maple Creek),
Steedsman,
Stevens,
Stewart (Edmonton West),
Stewart (Leeds),
Stinson,
Stirling,
Sylvestre,
Taylor,
Telford,
Thompson,
Thorson,
Totzke,
Tummon,
Vallance,
Verville,
Ward,
White (London),
Young (Saskatoon),
Young (Toronto Northeast),
Young (Weyburn).—169.

Mr. JACOBS: I was paired with the hon. member for St. Lawrence-St. George (Mr. Cahan). Had I voted I would have voted as I think he would have voted, against the amendment.

Mr. HAY: I was paired with the hon. member for Prince Edward-Lennox (Mr. Hubbs). Had I voted I would have voted against the amendment.

Mr. CAYLEY: I was paired with the hon. member for Brant (Mr. Smoke). Had I voted I would have voted against the amendment.

Mr. BENNETT: I was paired with the hon. Minister of Justice (Mr. Lapointe). Had I voted I would have voted against the amendment.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted I would have voted against the amendment.

Main motion agreed to, and bill read the third time and passed.

INCOME WAR TAX ACT, 1917, AMENDMENT

The House resumed from Tuesday, March 15, consideration in committee of Bill No. 150, to amend the Income War Tax Act, 1917—Mr. Robb—Mr. Johnston in the chair

Sections 1 to 3 inclusive agreed to.

Bill reported.

Hon. J. A. ROBB (Minister of Finance) moved the third reading of the bill.

Mr. D. F. KELLNER (Athabaska): Mr. Speaker, I desire to move:

That Bill No. 150 be not now read a third time, but that it be referred back to the committee of the Whole House with instructions to amend it by inserting after the word "tax" in the second line the words "on incomes under ($5,000) five thousand dollars".

Mr. SPEAKER: I do not consider the amendment in order. The House has already expressed its judgment on a similar question and by that judgment I am bound. Unless, therefore, any hon. member desires to speak to the point I must declare the amendment out of order.

Mr. IRVINE: When did the House decide on the question?

Mr. SPEAKER: On Tuesday last, on an amendment moved by the hon. member for Winnipeg North Centre (Mr. Woodsworth), the House gave its judgment.

Mr. IRVINE: That amendment was ruled out of order.

Mr. SPEAKER: Yes, in my recollection.

Mr. KELLNER: May I point out, Mr. Speaker, that the decision of the House the other day had reference to a resolution, whereas the present motion relates to a bill—a different matter entirely. If it is not permissible for a member to move an amendment either to a resolution or to a bill of this character, then I submit there is no use in our considering these matters at all. This House, in that case, certainly would have no power to make any changes whatever. This, I submit, is entirely a different matter from that upon which the decision of the House was given the other day.

Mr. SPEAKER: The figure involved in the question before the House on the previous occasion was $10,000; in this instance it is $5,000. The Chairman of the committee ruled that amendment out of order, whereupon an appeal was taken, not to the Speaker, but to the House, and the House in its judgment confirmed the Chairman's ruling. That stands, therefore, as the judgment of the House, and by it I am bound. Consequently I declare the present amendment out of order.

Mr. BOURASSA: Before you finally dispose of the question, Mr. Speaker, may I ask whether the House is to understand that you are now rendering a decision the effect of which will be to deprive every member of the right to move any amendment to budget resolutions or to bills based upon such resolutions? If so, I suggest that the matter is very grave. If the present ruling is confined merely to its bearing upon a decision given by the House the other day upon one particular point, then I am prepared to let the matter pass. But I think the House will have to consider one of these days the very grave issue that might be raised if a new parliamentary jurisprudence were here established whereby private members were deprived of the right to move amendments to budget resolutions.

Mr. SPEAKER: I do not suggest that I differ from the hon. member; I am ruling on a specific case which has already been decided by the House, and as I have already said I am bound by that decision. Any decision given by the House is binding upon the Speaker, and in ruling the present amendment out of order I am merely giving expression to the judgment of the House as rendered on a similar question. It is the same with resolutions; they must be considered, if carried, as judgments of the House, and for that reason the House should carefully weigh any resolution or motion presented. I am not now passing judgment on the question as to how far a private member may go in moving amendments to tariff or budget resolutions. It is not necessary that I should read again the motion made the other day and the ruling of the Chair upon it. As I have already indicated, I am now merely ruling in conformity with the judgment of the House on that particular question.

Mr. WOODSWORTH: Just for information, Mr. Speaker, do I understand that this ruling of yours to-day, following the decision of the House the other day, creates a precedent with regard to what may be done?

Mr. SPEAKER: That, of course, will depend upon the next Speaker. If any subsequent Speaker takes my ruling as a precedent, so much the better for me and for my reputation. But the House is all-powerful in these matters and can always reverse a ruling of the Speaker. As regards the present question, I have explained that the amend-

ment moved by the hon. member for Athabasca (Mr. Kellner) is framed in precisely the same terms as the amendment moved by the hon. member for Winnipeg North Centre (Mr. Woodsworth) the other day. It has the same purport, except for the fact that the figure is altered; and as the House confirmed the ruling of the Chairman of the committee, rejecting the previous motion, I am bound to be guided by that decision and rule this amendment out of order.

Mr. GARDINER: First of all, Mr. Speaker, may I ask you to give the authority for your decision at the present moment? In the next place, I should like to call your attention to this fact: the deputy speaker the other day gave a certain ruling which was appealed from.

Mr. SPEAKER: The hon. member will pardon me if I interrupt him. If the House is not satisfied with my ruling it may be appealed from.

Mr. GARDINER: The Deputy Speaker the other day, in committee, gave a certain ruling—

Mr. McGIBBON: There is no debate on this.

Mr. SPEAKER: Is the hon. member speaking to a point of order?

Mr. GARDINER: Yes, Sir.

Mr. SPEAKER: The ruling has already been given.

Mr. GARDINER: I did not understand that you had given your ruling, Mr. Speaker.

Mr. SPEAKER: I declared the amendment out of order and gave my reasons.

Mr. GARDINER: I did not hear you give the ruling.

Mr. SPEAKER: If the hon. member did not hear me he may speak.

Mr. GARDINER: Thank you, Mr. Speaker. As I say, the Deputy Speaker gave a ruling in committee, and that ruling was appealed from. Your Honour then took the chair and the House voted on the Chairman's ruling. To-day you uphold the former ruling, not on the strength of any authorities you might quote, but because of the fact that the House had confirmed the decision of the Chairman. Now, the point I want to make is this: the Deputy Speaker in the first place is nominated by the government in power, who usually have a majority, and that being so it can be understood that when the Deputy Speaker—or the Speaker, as the case may be—gives a ruling, that ruling will be sustained by the government and its supporters. That, however, does not imply a soundness in the ruling itself, and in this instance I would appeal to you to base your decision upon the authorities rather than upon what may have happened two or three days ago.

Mr. SPEAKER: The best authority for the Speaker is the judgment of the House. The Speaker merely voices the opinion of the House. The House, having declared out of order an amendment framed precisely as the one now under discussion, I am bound, in accordance with that decision and irrespective of the authorities, to rule the present motion also out of order. A distinction must be drawn between the principle invoked by the hon. member for Labelle (Mr. Bourassa) and the principle now appealed to. In my judgment there is a slight difference. In the present case I am bound by the judgment of the House, even if I were able to find authorities to the contrary.

Mr. COOTE: Might I ask a question of Your Honour?

Some hon. MEMBERS: Order.

Mr. SPEAKER: This is a very important point, and I should like hon. members to express their views.

Mr. COOTE: I have no view to express; I would like to ask Your Honour a question. The amendment moved the other day was an amendment to a resolution; this is an amendment to a bill. I would like Your Honour to inform the House whether the effect is the same in both cases?

Mr. SPEAKER: It is exactly the same, and I will explain why. When the resolution is passed by the committee it is reported to the Speaker and it is thereupon moved that the introduction of a bill based on such a resolution be permitted. What is contained in the resolution is contained in concrete form in the bill, so the effect is exactly the same.

Mr. WARD: Just by way of information may I ask a question of Your Honour? What is the difference between the amendment moved by the leader of the opposition and the amendment just moved by the hon. member for Athabaska (Mr. Kellner)?

Mr. SPEAKER: Would the hon. member kindly repeat his question; I did not understand it.

Mr. WARD: I would like Your Honour to explain to the House the difference be-

tween the amendment moved by the leader of the opposition and that moved by the member for Athabaska.

Mr. GUTHRIE: I rise to a point of order. There are a number of members in this House who desire to get on with the business of the session, and while this may be very entertaining and instructive I would suggest that Your Honour start a school for the benefit of some hon. members. To keep this House waiting on a point already decided by precedent and the judgment of the House is too much of a waste of time.

Mr. SPEAKER: Exactly, but there are certain amenities of the House which must be observed. In order to satisfy the hon. member for Dauphin (Mr. Ward) I would explain that the amendment moved a moment ago by the leader of the opposition was perfectly in order because it was an abstract declaration of principle. In May, thirteenth edition, I find the following:

> It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a bill,—

Or a third reading:

> —to move, as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill; or expressing opinions as to any circumstances connected with its introduction or prosecution;

The amendment of the hon. leader of the opposition was only an abstract declaration, while the present amendment is specific, mentioning a certain figure.

Motion agreed to and bill read the third time and passed.

LONG TERM FARM LOANS

Hon. J. A. ROBB (Minister of Finance) moved the second reading of Bill No. 62, for the purpose of establishing in Canada a system of long term mortgage credit for farmers.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Section 1 agreed to.

On section 2—Definitions.

Sir GEORGE PERLEY: I would like to ask whether this bill is in exactly the same form as the act that went through last session and if not, what changes have been made?

Mr. ROBB: I have not checked it carefully, but I am assured by the officers of the department that the bill is identical with the bill which left this chamber last session. I think I made that statement once before this session.

Mr. GUTHRIE: The Senate amendment is not included?

Mr. ROBB: No; the bill is exactly as it left this chamber last session.

Mr. ARTHURS: I presume the consent of the provinces interested is necessary to the operation of this bill, and therefore it is in the same category as various other bills dealt with this session. Has the minister any idea of how many provinces will come under the provisions of this bill?

Mr. ROBB: We have no information on that; we will pass the bill first and then find out.

Mr. ARTHURS: Has any effort been made to ascertain that information?

Mr. ROBB: The proper method is to pass the bill and adopt the principle and then determine whether the provinces will come in.

Mr. KENNEDY: We have had some difficulty in the last few days because we could not hear what was being said, and I wish the ministers especially would speak a little louder. I have been doing my best to catch everything the Minister of Finance said but now I do not know what it was.

Mr. ROBB: Sometimes it is better not to know.

Mr. ARTHURS: I would like to have a little further information from the minister. What provinces, if any, have applied for legislation of this kind?

Mr. ROBB: This is a government measure, introduced by the federal government. When this bill is passed it will be time to inquire whether the provinces wish to take advantage of it.

Mr. ARTHURS: The measure cannot succeed without the acquiescence of the provinces; there is no question about that. I would suggest to the minister that it would be better to ask the provinces whether or not they will come under the provisions of the bill. This measure in itself is of no use unless the provinces do take advantage of it.

Mr. ROBB: How will the provinces know whether or not they desire to coöperate in such a measure until they find out what legislation we are going to submit to them?

Mr. ARTHURS: By consultation with the provinces.

Mr. GUTHRIE: There is a provision here for the provinces coming in. It is in clause 8 of the bill as we all know, and the minister will find he will get his bill through much

quicker by giving the necessary information rather than by refusing it—because what he said to the hon. member for Parry Sound (Mr. Arthurs) was tantamount to a refusal. Now when these boards are established—I understand notice has to be given in the Canada Gazette, and until that notice is given the provinces have no part in the matter at all. But after the notice is published in the Canada Gazette, according to section 8 subsection 1—

The subscription by the government of the province to the capital stock of the board to the extent of five per cent of the total loans outstanding at any time in that province as such loans are issued.

Approval must be given to the whole scheme practically before operations are started in the province. Now the question is: Have any provinces up to the present expressed their approval of the scheme?

Mr. ROBB: I do not think so.

Mr. GUTHRIE: And have they requested the passage of this legislation?

Mr. ROBB: Well, members of this parliament who come from different provinces have asked for this legislation.

Mr. DUNNING: I have not under my hand the resolutions passed from time to time in various provincial legislatures in favour of a scheme of farm loans, but I know that a number of such resolutions have been passed from time to time as the expression of opinion of the legislatures of some of the provinces at all events.

Mr. ARTHURS: All by the same province?

Mr. DUNNING: No, not at all.

Mr. ARTHURS: I am not opposed to the bill at all, in fact I am in favour of it, but will the minister in charge of the bill tell the committee what amendment was made to the measure by the Senate last session? They amended some provisions of the bill but I have forgotten the nature of those amendments.

Mr. LETELLIER: I should like to inform the committee that a large number of my electors in the constituency of Compton are asking for loans of this kind, and I am very anxious to see the bill adopted as soon as possible. The matter is one of great importance to the farmers there, who are in urgent need of these loans.

Mr. STEVENS: Could the minister give us the information asked for?

Mr. ROBB: I am looking up the record to see if I can find it.

[Mr. Guthrie.]

Mr. STEVENS: While the minister is looking the information up I should like to say that this is a question that has been before parliament for many years. It was very thoroughly considered at the time of the revision of the Bank Act in 1923. On that occasion, as well as in 1924, the banking committee came to the conclusion, and with the approval of the leading representative bankers, that there was need for some medium of credit such as is provided in this bill. I am not prepared to say that every detail of the bill is perfect, but personally I welcome very much the idea of rural credits. If the minister could inform us as to the amendments made by the Senate last year it would perhaps facilitate the discussion. There were one or two amendments the exact nature of which I have forgotten, but which were worthy, I think, of some consideration.

Mr. ARTHURS: While the minister is looking up the information asked for I should like to dissociate myself from any idea of opposing this measure. I look at it in the same light that we regard several other bills that have come before this House, where provincial consent is absolutely necessary before any organization can be arrived at. The hon. member for Compton (Mr. Letellier) said that his constituency was in favour of this bill. Would he say that the province of Quebec has asked for legislation of this kind? I am sure he will not, and I am quite sure that the minister in charge of the bill, who is also from the province of Quebec, will not say that that province is in favour of the bill as at present before the House. We are not opposed, at least I am not opposed, to the principle of rural credit, nor am I opposed to a similar bill regarding old age pensions which has passed this House. But we do ask, and I think we have the right to ask, that this government look to the provinces and see which province, if any, is in favour of this legislation before it is passed here.

Mr. LETELLIER: If I cannot assure my hon. friend definitely that the province of Quebec, or the provincial government, is in favour of this bill, I can assure him that it was asked for last session by the provincial agricultural association, which claims that it is needed in the interest of the farmers of the province. I think I can assure my hon. friend also that if the bill is passed it will function in the province of Quebec as successfully as it does in other provinces where it is actually in operation. I would state furthermore that my hon. colleague, Mr. Goulet,

has told me that in his province there is a similar law in effect which is functioning extremely well.

Mr. CASGRAIN: That is in the province of Ontario.

Mr. LETELLIER: Yes, in Ontario.

Mr. ROBB: My hon. friend asked what changes were made in the bill in the Senate. There were some changes made of a minor character which perhaps rather improved it. But the main change made was this: If hon. gentlemen will refer to clause 7, near the top of page 5 of the bill, they will see it is provided that the interest "shall be sufficient, in the judgment of the board, to provide for the expenses of operation not exceeding one per cent of the amount of the loan." The Senate cut out the words "not exceeding one per cent of the amount of the loan."

Mr. CLARK: I regret that the minister has not paid some attention to that particular amendment of the Senate. He would be well advised to do so at this stage, because I think if he investigates he will find that it is impossible to administer the act and provide for reserves on a one per cent margin. In the first place he could not provide for reserves if the whole of the one per cent were devoted to that purpose, but the attempt to provide for administration and reserves to meet losses with one per cent is really an impossibility; it cannot be done. Why then pass a law to provide for a thing which is impossible?

Mr. WARD: Is the hon. member aware that there is at least one large farm loan organization in Canada that has been doing it, and has been paying overhead charges, and so forth, and the rate has never exceeded one per cent?

Mr. CLARK: How long has it been running?

Mr. WARD: Seven years.

Mr. CLARK: I would submit, Mr. Chairman, that if an investigation were made it would be found that in no place in the world has such a thing been achieved, and that no company could provide for losses alone on a one per cent margin. One per cent certainly does not meet the administration charges of any company that I have ever heard of, and I think an investigation in the Finance department—I believe particulars will be found in the Insurance department publications—will show that one per cent will not begin to meet administration charges and overhead. In my opinion it is impossible to provide for reserves with such a margin.

Mr. WARD: What would the hon. member consider is required to provide for the losses to which he refers?

Mr. CLARK: I am not putting myself forward as an expert to state what percentage should be provided. The department ought to be in the best position to investigate the problem of overhead and the amount required to provide for reserves. I would not arbitrarily fix any figure. I know that one per cent will not cover it. I suggest that the minister is simply inviting further interference with this bill after it has been passed out of this House. Seeing that the question was raised by an amendment of last year, why not study the suggestion of the Senate and try to meet the situation so that we shall not have these bills emasculated when they leave this House?

Mr. COOTE: The effectiveness of this bill in meeting the needs of Canadian farmers is going to depend largely on whether this one per cent is to be maintained or not. We must keep down the interest rate to the farmers who want to borrow money under the scheme, and if the rate is not held very close to one per cent over the rate paid on the bonds of the Board. I do not think the scheme will be effective in providing the farmers with money at a rate which they can afford to pay. Perhaps it will allay the fears of my hon. friend if he learns that the long term farm loan system in the United States has been operating on this basis of one per cent. They have made ample provision for any losses, taken care of all their administration expenses and in a period of years have repaid to the federal government I think nearly 90 per cent of the money which was advanced by the government to start this scheme.

Mr. CLARK: How long has it been operating?

Mr. COOTE: Since about the year 1916.

Mr. FANSHER (Last Mountain): It was considered in the grain business that one cent per bushel was required by all commission firms for operating expenses. When the wheat pool came into existence in western Canada they found that they could operate on less than one-half of one cent per bushel because by mass operation, just the same as by mass production, they were able to cut down the overhead. I would suggest to the hon. member for Vancouver-Burrard that that can easily be taken care of by the volume of business which we hope to set up by this scheme.

Mr. CLARK: The greater the volume of business, the more reserves you will have to provide.

Mr. FANSHER (Last Mountain): Very true, and the less overhead.

Mr. CLARK: I was not speaking of the overhead. I suggest that one per cent is not sufficient for reserves for losses and depreciation.

Mr. CARMICHAEL: I would like to ask the minister if, according to the language of this clause, the one per cent is supposed to take care of operating expenses plus reserves for losses, or whether it is not a fact that reserves for losses are to be provided for outside of the one per cent and that the one per cent covers just the cost of operation.

Mr. ROBB: Reserves for losses are in addition to the one per cent.

Mr. CARMICHAEL: The hon. gentleman was arguing otherwise.

Mr. CLARK: Where is that provided?

Mr. CAMPBELL: The fundamental principle of a scheme of this kind is the elimination of competition, following, as the hon. member for Last Mountain has said, the principle of our wheat pool. In the district in which I live there are, I think, no fewer than ten different loan companies operating. At various periods of the year no fewer than seven men will come in there collecting money or soliciting loans or doing some particular business in connection with their different companies. It can easily be seen that if all the business in that particular district were turned into one company and competition eliminated, overhead expenses could be immediately reduced. That is the basic principle of the rural credit system. Unless we can achieve that, the system has failed of its purpose. It is based, as most hon. gentlemen know, on the German Landschaften system which was established by the German government some time after the Seven Years' war. It met the situation and to-day the farmers in Germany are receiving money cheaper than the manufacturers. Just compare that situation with ours in Canada. I presume that no Canadian manufacturer will pay more than 6 per cent interest. Most of them will secure money at less than that. But farmers, at any rate in Saskatchewan, are not securing money on loans at less than 8 per cent and the ordinary banks charge perhaps 9 or 10 per cent. The idea behind this system is that by having such a large amount of business done in one community and by the elimination of competition and the duplication of travellers on the road and overhead charges, the cost of operation will be reduced. Unless that can be done, of course this scheme fails, and it is only in so far as that can be accomplished that the scheme will be a success.

Section agreed to.

Sections 3 and 4 agreed to.

On section 5—Capital requirements.

Mr. GARLAND (Bow River): The closing words of subclause (2) of this section read:

The said shares shall be non-transferable and shall be subscribed for in the following manner.

And so on. Would it not be much wiser if after the word "non-transferable" we inserted the words "except at the option of the board"? It would be as well to give the board discretion in regard to that.

Mr. ROBB: I will accept that. I think it is an improvement. I move that subclause (2) of clause 5 in the twelfth line at the top of page 3, be amended by inserting after the word "non-transferable" the words "except at the option of the board."

Amendment agreed to.

Section as amended agreed to.

On section 6—Limit of outstanding farm loan bonds.

Mr. GARLAND (Bow River): I direct the attention of the Minister of Finance to subsection 4 of this section, and then ask him to turn back to section 4, subsection (d) which subsection gives them authority to invest the funds of the board in the debentures, bonds, stocks or other securities of, or guaranteed by, the government of Canada, or of, or guaranteed by the government of any province of Canada —in other words, fully protected bonds. But the power having been given to invest in that class of security we find that their use as security is to a large extent modified by subsection 4 of section 6, which restricts the board to securities for its bond issue other than the bonds which it has already invested in. It is a restriction on the board which is unnecessary, and it might be just as well to take into consideration a possible adjustment.

Mr. STEVENS: You have your initial payment to start with.

Mr. GARLAND (Bow River): Subsection 4 of section 6 reads:

(4) Each farm loan bond shall be signed by the commissioner, or by a member specially authorized thereunto by the board, and by the secretary or treasurer of the board. It shall have printed thereon a certificate by the com-

missioner that it is issued under the authority of this act and that at the time of issue the board holds first mortgages on farm lands at least equal to the total amount of bonds issued under this Act.

Why not have that clause amended so as to read:

—the board holds first mortgages on farm lands and securities, in keeping with subsection (d) of section 4, to the full amount of the bonds issued under the act.

Why in addition to the first mortgages should we not allow this other first class security? Has the minister considered the point?

Mr. ROBB: I am sure my hon. friend does not want to turn this board into a bond investment company.

Mr. GARLAND (Bow River): Not at all. The minister has already gone further in that respect than I would have done myself.

Mr. ROBB: The previous section referred to investments in federal and provincial guaranteed bonds. They may invest in those, but they must have mortgages. Otherwise what are they for?

Mr. GARLAND (Bow River): Yes, they must have the mortgages also, but when you have an ample supply of guaranteed bonds purchased as investment by the board, why should that not be taken into account? With respect to subsection 4 of section 6 which says:

And that at the time of issue the board holds first mortgages on farm lands at least equal to the total amount of bonds issued under this act.

The board might have first mortgages on land and a considerable amount of these other securities besides.

Mr. STEVENS: Subsection (d) in section 4 is a permissive clause and covers extra funds which the board may have, that it has not yet loaned out in accordance with the main intent of the bill, namely, on farm lands; but in order that they may earn for them in the interim as much as possible, they may purchase bonds and so forth, of a certain class, suppose the board has two or three million dollars invested; before borrowing any more money it would dispose of those debentures and loan that money on farm loan credits. If the board did not follow such a course it would not be doing its duty under the act. Therefore I do not see any need for the amendment my hon. friend suggests. If that amendment were carried it would be an indication to the board that parliament expected them to keep those securities in reserve, which is not the intention. The intention is to have the board loan this money on farm loan credits. But suppose they market an issue of ten million dollars, they cannot invest it immediately in farm loans, but they can place it out at interest while they are arranging these small loans. I suggest that it would be preferable to leave the section as it stands.

Section agreed to.

On section 7—Conditions for loans.

Mr. STEVENS: Now we come to the subject of that amendment. I approach this matter with an open mind. I certainly hope the board can restrict its expenses and so forth within the one per cent fixed in this act. I agree with my hon. friend who spoke a moment ago, that it is desirable that if possible we force the board to keep within that limit. I am inclined however to the view that in the early stages it may be difficult for them to do so. It may be one and a half per cent or one and a quarter per cent, and I would be willing to give the board discretion and would favour the adoption of the amendment made by the Senate eliminating the restriction to one per cent. I am not worked up about it at all, but I feel that as a matter of sound common sense they should be given a free hand to that extent.

Mr. ROBB: In common with my hon. friend from Vancouver Centre, I am not worked up about it, and I am not going to worry much over it. In the original bill as presented last year there was no limitation of any kind. The words "not exceeding one per cent of the amount of the loan" were inserted when the bill was in committee. I observe there seems to be a misapprehension as to what this one per cent means. Perhaps there should be a comma or a semicolon in that sentence. However, it clearly provides that the one per cent is for the expenses of operation and reserves for losses. I think that is clear, but if the committee wants to strike out the words I do not object. I want to put the bill through just as it left the House before.

Mr. STEVENS: I am not going to press the matter, but sometimes, in order to get a larger measure, it is well to give way in small matters. I consider this of such minor importance that if we can facilitate its passage through the Senate by acceding to their view, I certainly would rather do it than risk the bill.

Mr. CARMICHAEL: I fail to agree with the remarks which the hon. member has just made. I am rather of the opinion that the cost of operation is one of the large matters

in this bill. It was the opinion of the committee last year that unless the cost of operation was cut down to a minimum the bill would be useless after it came into effect. I think the reason why the one per cent maximum was imposed for the cost of operation was because of the tendency of government management to let the cost run unduly high, and it was felt by the committee that if that cost were limited to a one per cent margin, some effort would be made to keep within that margin. We have had comments made here and evidence adduced that in Manitoba the rural credit scheme has been running on a margin of one-half of one per cent, and that the American rural credit scheme has been running on something less than a one per cent margin. It does not seem unreasonable, then, to suppose that in the whole of Canada we should be able to run this scheme on a one per cent margin for administration. If not, it would appear to me that the cost of the money to the farmer would run up so high that the loan companies would not need to reduce their interest rate very much to meet the rate charged under our federal scheme, and by so doing our scheme would be killed at the start.

Mr. CLARK: Supposing the board charge one per cent for expenses, and that one per cent does not meet the expenses. Then there are losses, are there not? This act leaves it in the discretion of the board to increase the rate as much as they like in order to provide the necessary reserves for losses. It seems to me that it is leaving a pretty wide discretion to the board to fix a maximum of one per cent for administration, and then let them charge any rate they like to provide for the necessary reserve. I was under a misapprehension when I first saw the section; I had just glanced at it for a moment, and I thought the intention was to make the one per cent provide for the administration and for the necessary reserves for losses. Frankly, I was of the opinion that that was an impossibility, and I am still of that opinion. As it stands now, the one per cent is limited to administration; I think that is unwise, too; I thought it was unwise then, and I think it is unwise now, because if that amount is exceeded, the excess amount becomes loss, and the board has the discretion to increase the rate to any amount it sees fit to meet these losses or to provide the necessary reserve for losses. Furthermore, I think it is advisable that it should not be left in such an indefinite state. I am not clear whether the board has discretion to fix a rate in each individual case to provide the necessary reserve for losses, or whether a uniform rate will be fixed applicable to all loans. I am left in a state of doubt on that point.

Mr. ROBB: I think good administration would provide for a uniform rate throughout.

Mr. CLARK: But how many boards are there?

Mr. ROBB: While I am on my feet I may say that the losses, as I understand it, will be losses in the investment, not losses on administration.

Mr. CLARK: I think it would cover all losses. I know the intention ordinarily would be to fix a rate for losses on the loans, but supposing you have a loss on the administration; how are you going to provide against that?

Mr. BOYS: Has the minister any idea of what the rate of interest is likely to be under this act?

Mr. ROBB: The act provides:

> The interest rate on loans under this act shall be such a rate in excess of the interest rate yielded at the time of issue by the last series of farm loan bonds issued by the board as shall be sufficient, in the judgment of the board, to provide for the expenses of operation not exceeding one per cent of the amount of the loan and for the necessary reserves for losses, or if no such bonds have been issued, such a rate as in the judgment of the board will be yielded by the farm loan bonds when issued, increased by provision for expenses and reserves as aforesaid.

Mr. BOYS: I read that.

Mr. ROBB: My hon. friend knows that the price of money is like the price of wheat; it fluctuates. I cannot tell what the price of money will be next year.

Mr. BOYS: But I take it for granted that this has been considered, and there must be some idea of what the rate is going to be. I ask the question because of some knowledge I have of the system obtaining in Ontario in connection with our Agricultural Development Board. The benefit, if any, which may result from this act, so far as the province of Ontario is concerned, will depend entirely on the ultimate rate of interest which must be paid by the borrower under this act. I should think the minister would have a fairly accurate estimate of what the interest rate will be. The section says:

> The interest rate. . . . shall be such a rate in excess of the interest rate yielded at the time of issue by the last series of farm loan bonds—

I should think the minister would have a very good idea of what rate of interest he thinks those bonds would bring. To that we

add one per cent, and add to that, again, whatever might be thought proper for losses. I certainly agree with the minister that the word "losses" as used here means losses in loans, and not any other losses, and it might be wise to make that clear, because as the hon. member for Vancouver-Burrard has pointed out, if there is a loss sustained in operation amounting to over one per cent, where is the money going to come from? It has to be made up out of some fund, and I do not know where it can come from except out of the moneys that will be at the disposal of the board under this act.

In Ontario, under the existing law, farmers are entitled to obtain mortgage loans very much on the same basis as under this act. It is fifty per cent of the value of the farm. There is not the distinction we have in this act, of fifty per cent of the value of the land and twenty per cent of the value of the improvements. It is fifty or fifty-five per cent of the actual value of the farm, and they are paying five and a half per cent. During the last election the Premier of Ontario made the announcement, which I have every reason to believe he will fulfil, that the rate of interest on the loans to farmers under the Agricultural Development Board Act would be five per cent. It is perfectly manifest that if the rate of interest to be charged under this act is to be over five and one-half per cent, the act will be absolutely useless so far as Ontario is concerned, because the farmers there are able to get their money now at five and a half per cent, and if they are able to get it at five per cent in the future they would not resort to the benefits of this act if the interest rate is going to be higher than they are now paying.

Mr. ROBB: If my hon. friend is right in saying that they get the money at five per cent, and it costs one per cent for administration, that means they are getting their money at four per cent.

Mr. BOYS: I do not want to be misquoted. I say they are getting their money to-day at five and a half per cent, and that the Premier of Ontario during the last election campaign stated that he expected to be able to make that rate five per cent. I do not altogether agree with some of the remarks that have been made. I am of the opinion that you should be able to administer this act at a cost of one per cent, and certainly you ought to be able to raise the money on bonds guaranteed by the government at four per cent. If that is the case, there should be some estimate made for losses, and I would think the farmers would be able to get their money under this act at five and one-half per cent, which is the prevailing rate to-day in Ontario.

Mr. ROBB: That is very encouraging. We will get the money as cheap as we can.

Mr. GARLAND (Bow River): A great deal is to be said for the argument of the hon. member for North Simcoe. I notice that in Alberta this last winter there were no less than thirteen or fourteen mortgage companies competing for business, while four years ago there were only two, and neither of them was competing for business at that time they were just keeping a staff on and doing very little lending. There seems to be a considerable expansion of credit taking place in this country at the present time, and if the scheme is wisely administered, that is all to the good; but if it is unwisely administered it may lead to another crash such as that from which we have just recovered.

I wish to correct an impression that may have been left on the House by the hon. member for Vancouver-Burrard. I have in my hand the ninth annual report of the Federal Farm Loan Board for the year 1925, from which I quote the following:

> Rates of interest—the rate of interest charged borrowers by all of the banks in this system is governed by the rate at which they can sell their bonds.

Just as is proposed in this bill.

> Every bank is limited in its interest charge to one per cent above the rate at which its last preceding issue of bonds was sold.

Mr. BOYS: Is there any provision for losses?

Mr. GARLAND (Bow River): Just a moment.

> The rate borne by the bonds marketed during 1925 by federal land banks was four and a half per cent, which made five and a half per cent the maximum interest charge.

That indicated that all losses and contingencies had been taken care of in that one per cent. The report goes on:

> Experience has fully demonstrated that when a bank obtains a volume of one hundred millions in mortgages, and is in good shape as to its delinquencies and probable foreclosures, it can, owing to large volume, operate on a spread less than one per cent. Three of the federal land banks, being in this situation, have reduced their loaning rate—two of them to five per cent and one to five and a quarter per cent.

I need not quote further. This is simply in contradiction to the hon. member's remarks. There was no deliberate misrepresentation; he was merely misinformed. There are other illustrations that might be cited, but I am satisfied that if the act is administered

sympathetically and with the hearty support of the government there is nothing to prevent its taking the place, in all provinces, of the existing loan system. If that is done there is no question about the volume, and, with the volume, no question about the ability to carry on with the one per cent margin. I strongly recommend that the one per cent limitation be retained.

Mr. FANSHER (Last Mountain): I would refer to a point raised by the hon. member for Vancouver Centre with regard to the initial expense of setting up the offices and hiring the staff, which he said would exceed one per cent. I might draw his attention to clause 5 of the bill, which provides that the first five millions of bonds issued by the government shall be free of interest for a term of three years. So that while the board will be charging interest on this amount, according as it is loaned, and not having to pay interest on it to the government, the interest it gets from the mortgagors can be used for any initial expense that may be incurred.

The CHAIRMAN: Shall the section carry?

Mr. GARLAND (Bow River): No.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

The CHAIRMAN: When the committee rose at six o'clock we were considering section 7 of this bill.

Mr. SPENCER: I would like to refer for a moment to subsection 7, which calls for a charge of 8 per cent on default payments. It would seem to me, Mr. Chairman, that that rate is too high; I think anyone will admit that farming cannot be made to pay under a burden of that kind year after year, and I would be glad if the Minister of Finance could see his way clear to lower that rate to 7 per cent.

Mr. GARLAND (Bow River): I would like to add my hearty approval of that suggestion. We have had sufficient experience in the last five years to show that the policy of still further burdening the farmer with heavy arrears of interest makes it almost impossible for him to get out of his difficulties. As a result of that condition, as hon. members know, in our province we have had to establish a special board for the purpose of adjusting debts as between farmers and their creditors, which has caused a great deal of contentious discussion among the financial interests. I think the minister would be saving himself and the board a good deal of trouble later on if he could moderate that penalty against the unfortunate man who, because of conditions not under his control, is not in a position to make his payments in any particular year. Has the minister ever considered the possibility of giving the board discretionary powers in respect of this penalty clause? For example, should not the board be given power to say to the borrower "We understand your conditions this year; you have had a total crop failure either through drought, hail, grasshoppers or something of that kind, and you cannot pay. We know it is no fault of yours and that you are not trying to defraud us, therefore the interest this year will be at the ordinary rate, with no penalty." Should anyone attempt to defraud the board, of course, I would agree wth the authorities that a penalty should be imposed, but if through conditions beyond the control of the farmer, such as what are known as acts of God and the like, he is unable to make his payments, I think the board should have some discretion in the matter.

Mr. ROBB: I quite agree with my hon. friend that it should be made as easy as possible for the borrower to wipe out his debts. This rate of 8 per cent was fixed as an incentive to induce borrowers to pay up, but as I understand it the board may, if the circumstances justify, make the rate less. My hon. friend will notice that the clause reads "not exceeding 8 per cent." I think this a pretty safe clause to insert.

Mr. GARLAND (Bow River): I think the minister will realize that 8 per cent is altogether out of the question; that is the very thing we are trying to get away from in this legislation. We want a lower rate of interest if possible and if, because of unforeseen circumstances, it is impossible for a farmer to make his payments, why put him back in the situation he is trying to escape by this legislation?

Mr. ROBB: Of course it must be remembered that the board will be sympathetic. My hon. friend knows that there are people who dally along and avoid payment if they can do so. This clause is inserted to provide an incentive for them to pay, and in their judgment the board may reduce the rate to the usual one of 5 per cent or 5½ per cent; there is nothing to prevent the board from allowing that rate to continue. But if the man is careless and pays no attention to his obligations the board has the right to charge up to 8 per cent, and this will be helpful to all the other borrowers as well.

Mr. GARLAND (Bow River): Does that rate of 8 per cent include the amortization?

Mr. ROBB: No, it is straight interest.

Mr. GARLAND (Bow River): Then in my opinion that is an absolutely wrong principle and is not fair.

Mr. ROBB: It applies only to defaulted payments and the board have the right to make it less if they so desire.

Mr. WARD: I presume the board referred to is the board here in Ottawa, and in that connection I would like to ask a question of the minister. Provision is made in the bill for the establishment of provincial boards; if that is done, what authority would that board have in these matters? Would it be in the capacity of an advisory board to the central board in Ottawa?

Mr. ROBB: I understand that the central board has the final authority, but it must be kept in mind that the central board is governed by the advice of the provincial boards. The man here in Ottawa does not know very much about these matters and he must of necessity rely on the judgment of the board nearest to the spot, whose members understand the local situation.

Mr. SPENCER: There is one other point I would like to bring up, with regard to subsection 8. Would the borrower be asked to pay any bonus if he repaid his loans before they were due?

Mr. ROBB: What does my hon. friend mean by a bonus? That is a matter to be determined by regulation, I think.

Mr. GARLAND (Bow River): I am afraid it is. Does the minister consider it wise to leave it that way? Would it not be much better to decide now that after the period provided for, that is five years, the borrower could repay in whole or in part without necessity of paying a bonus. I think it would be a very advisable clause to insert in the bill. There is no question in my mind but that it will increase the volume of business done.

Mr. ROBB: Of course there is no penalty after five years. We hope the board will be sympathetic towards the borrowers and will administer the act in a fair way.

Section agreed to.

On section 8—When loans available.

Mr. BOURASSA: I would ask the minister if he could not widen somewhat the scope of subsection 3. I had a letter a few days ago from La Société de Colonisation which the minister knows is a sub-agent, so to speak, of St. Jean Baptiste Society. It has a provincial charter, interests itself in colonization matters and is frequently an agent of communication between the Land department at Quebec and the settlers. This society asks to be empowered under this subsection of the bill to act as a local coöperative society. I think the addition of two or three words along this line with respect to colonization societies would enlarge the scope of the operations of the bill very usefully.

Mr. ROBB: I can see no objection to amending the subsection in such a way as to read:

> Subject to the approval of the board whether loans shall be made directly to farmers or through local coöperative societies, or recognized colonization societies—

And so on.

Mr. GARLAND (Bow River): What body would be responsible for determining the nature of the colonization society?

Mr. BOURASSA: The board.

Mr. GARLAND (Bow River): This board? All right. May I submit that this section is probably one of the most important sections in the bill, if not the most important. This is the section which brings the province and the federal board together. It goes further than that, it brings the borrower directly to the board. In the original draft of this bill the precaution was taken by those who were interested in the question from this side of the House to see that this section should provide that the loaning should be made either direct to the borrower, or through co-operative societies, or in the way the hon. member for Labelle (Mr. Bourassa) has suggested, but subject to the discretion of the provincial advisory board, not to the approval or regulation of the federal board. As the section is now drafted it makes the method to be adopted in a province subject entirely to the federal board. So the board, as soon as the bill is passed, could come to our province, where we are prepared to adopt this measure to the fullest degree, and say: "Here, you must administer your loans direct," whereas in that province we administer the loans through our local coöperative societies. I would ask the minister to reconsider this section and have a provision made that the provincial advisory board, or the provincial authorities acting in connection with this bill,

have discretion as to whether under the operation of the act in the province the loan would be made through the local credit society, or the local coöperative society, or direct to the borrower.

Mr. ROBB: I think we must have uniformity. There must be some central authority to determine lines of policy for all the provinces. I repeat that the board will be quite likely to listen to the advice of the local boards, but there must be in the last analysis uniformity in the act. I think it is well to leave the central power there. My hon. friend is acting on the assumption that the central board is going to be antagonistic to this whole scheme. I do not look at the matter in that way.

Mr. GARLAND (Bow River): Not at all.

Mr. ROBB: I think the central board will be fairly sympathetic to the scheme.

Mr. GARLAND (Bow River): The minister misunderstands my point. No one entertains a greater degree of hope than I do that the federal board will be completely sympathetic, but the minister's last statement makes the provision worse. He says that uniformity is essential. Now at that I frankly throw up my hands in despair and say it cannot be achieved. There are provinces that are not prepared to undertake the organization of local coöperative societies for the administration of loans through this bill. On the other hand there are provinces that are prepared to do it in every way. How are we going to secure uniformity?

Mr. ROBB: I admit the point, but they will be the men to put their O.K. on it.

Mr. GARLAND (Bow River): Then under subsection 3 of this section the federal board will be advised to consult the administration board in every province with respect to the manner in which these loans should be made.

Mr. ROBB: I am speaking now as the minister in charge of the department, and that is the advice I shall give to the central board. I do not hesitate to have that go on record as the view of the government.

Mr. GARDINER: I think the minister is somewhat mistaken in regard to the attitude he has taken with respect to this particular clause. If he reads subsection 3 very carefully he will see that it states:

Whether loans shall be made directly to farmers or through local coöperative societies, or both directly to farmers and through local coöperative societies, as the province may desire.

The local board in the province, I submit, would be able to recommend to the central board what method should be adopted in a particular province, and it would be natural that the central board should give its consent to what was thought advisable in a particular province. I think the point is already covered.

Mr. ROBB: I think my hon. friend's interpretation is right. The central board would listen to the recommendations of the provincial board.

Mr. STINSON: Should not a provision be added making the provinces liable for any loss that might be incurred within a province?

Mr. ROBB: I recall that last year that position was taken by some members of the Senate, but I prefer to have the bill as it left the House last year. I would rather not add such a provision to the measure.

Mr. WARD: Subsection 6 in the fourth line reads:

That in case of an adverse report on the operations of any provincial board by the auditors of the board, or should any provincial board refuse to enforce in a satisfactory manner the regulations and directions of the board, the board may after conference with the said provincial board relieve such provincial board of its duties—

And so on. If the provincial organization lives up to the act, why should any discretionary power be required on the part of the central board?

Mr. ROBB: Is this what my hon. friend has in mind?

—refuse to enforce in a satisfactory manner the regulations of the act—

Instead of, "the directions of the board."

Mr. WARD: "And" directions of the board.

Mr. ROBB: I am afraid that would tie up the board. We might find that a disadvantage later on to both the borrower and the lender. Let us leave something to the judgment of the men who are administering the act.

The CHAIRMAN: The minister has moved to amend subclause 3 of clause 8 by adding after the words "coöperative societies" in the 8th line the words "or recognized colonization societies." The suggestion has been made to the minister that the word "both" would have to be stricken out so that the clause might read properly.

Mr. BOURASSA: Should there not be a slight change made in the last line of the same subclause, making it read:

To farmers and through such societies—

Or something to that effect?

Mr. ROBB: Yes. I would suggest:

Such local coöperative or recognized colonization societies.

The CHAIRMAN: The clause as amended would read:

Subject to the approval of the board whether loans shall be made directly to farmers or through local coöperative societies or recognized colonization societies, or directly to farmers and through local coöperative societies or recognized colonization societies, as the province may desire.

Mr. GARDINER: The minister might explain just what these colonization societies will include, and if they will have to secure their funds through the provincial board subject to its jurisdiction to the same extent as coöperative societies or individual farmers would be subject.

Mr. ROBB: We are placing these recognized colonization societies on exactly the same basis as the coöperative societies. There are, in some of the provinces—I know there are in Quebec—recognized colonization societies which have charters from the provincial government.

Mr. SPENCER: These colonization societies have nothing to do with bringing immigrants into western Canada? This is simply a way of carrying on certatin community work in Quebec?

Mr. ROBB: They are called colonization societies, but they are doing the same work as these local coöperative societies.

Mr. GARDINER: I take it that they will be subject to all the rules and regulations of the local board, and that the property will have to be properly appraised the same as any other property whether it is that of an individual farmer or a local coöperative organization working under this legislation.

Mr. ROBB: It is all dependent upon provincial legislation.

Mr. EVANS: I do not think we need open the door there to colonization societies as I understand them. After this scheme is properly organized the local farmers will form themselves into coöperative societies for the purposes of this legislation. I do not see why we should want to open the whole thing up to colonization societies, as the valuations will be made on improvements and the balance of the farm as the farmers organize themselves.

Mr. ROBB: That may be true in the province from which my hon. friend comes, but in some other provinces we have colonization societies that are doing exactly the same work as coöperative societies. They are all subject to provincial legislation.

Mr. EVANS: In those provinces can they not have farmers' organizations under this legislation through the provincial government?

Mr. ROBB: I do not doubt that they can, but if they prefer to do the work in this way, why should we close the door on them?

Amendment agreed to.

Section as amended agreed to.

On section 9—reserve fund.

Mr. WARD: As I understand this legislation, it is purely coöperative or national in its purpose and application. Why should we provide for payment of dividends?

Mr. ROBB: The dividend is paid back to the borrower. This is on exactly the same basis, I suppose, as the Grain Growers' Grain Company and other coöperative grain companies of the west. If there is a profit, I imagine it will go into a reduction of the debt.

Mr. WARD: Will that be returned in the form of lessened charges, or in what form will it be returned to the borrower?

Mr. ROBB: I might direct the attention of my hon. friend to sub-clause 4 of this clause:

All dividends paid upon stock held by any borrower shall remain in possession of the board and shall be allowed to accumulate at the rate of 5 per cent per annum compounded annually until such time as the said stock with accumulated dividends is sufficient to provide for the payment of all indebtedness under the loan when the amount of the said stock and the accumulated dividends shall be credited to the borrower as a final payment.

It goes back to the borrower.

Section agreed to.

Sections 10 to 15 inclusive agreed to.

On section 16—Regulations.

Mr. GARLAND (Bow River): I draw the minister's attention to subsection (e) of this section, which reads:

The board may, subject to the approval of the Governor in Council, make regulations . . . . to provide for:

The manner of nomination and appointment of representatives of the borrowers on the provincial board in any province.

That means these gentlemen will be appointed by order in council. Then subsection (f) provides that—

The manner of crediting advance payments by the borrowers under the mortgages—

Shall be subject to the approval of the governor in council.

Mr. ROBB: What is the objection to that?

Mr. GARLAND (Bow River): It leads to interminable delay. Would it not be done better by the provincial board, or by the provincial board in consultation with the federal board?

Mr. STEVENS: The central board will make its regulations, which may be approved by order in council.

Mr. GARLAND (Bow River): If that is clear, all right.

Mr. ROBB: I think it is clear.

Mr. GARLAND (Bow River): Then it is just the regulations.

Mr. ROBB: Yes.

Mr. GARLAND (Bow River): This section does not say so. Section 16 reads:

The board may, subject to the approval of the Governor in Council, make regulations not inconsistent with the provisions of this act for the conduct of the business of the board, and without limiting the generality of the foregoing provision the board shall have power to provide by regulation for:

And then it gives a list of the officers, appraisers, inspectors, and so on. In my opinion that is a direct violation of the merit principle in the operation of the Civil Service Act itself, and I suggest to the minister that he insert the words:

The board shall have power to provide by regulation, subject to the terms of the Civil Service Act, for the employment of officers, appraisers—

And so on. I am quite willing that the federal board, the provincial board and the advisory council shall be appointed in whatever manner may be best calculated to secure the proper men, but that all under them, all clerk and other employees, should be subject to the Civil Service Act. I do not think there will be any division of opinion in the House on this point. I am satisfied my hon. friends opposite are as anxious to maintain the integrity of that act as hon. members to my right. I am satisfied the minister will accept my suggestion and I do not think any further argument is necessary.

Mr. ROBB: I think the hon. member had better let this section go through as it stands. I want to assure him that there is no question of seeking additional patronage or anything of that sort. If my hon. friend knew what I know and had the experience I have had within the last thirty days in connection with some of the officials in the Department of Finance I think he would agree with me. I am finding no fault with the Civil Service Commission. They appointed these gentlemen under the act, but we discovered that some of those who were appointed had been let out of positions—well, I would not like to use a harsh word, but one man assigned to us by the commission has had to go to the penitentiary. I do not hesitate to say that. I have taken that matter up with the Civil Service Commission, pointing out that we feel sometimes that we are sitting on a powder barrel in the case of a department where millions of the people's money are at stake in connection with appointments made under the act. It would look as if the commission had never gone back to look into the question of a man's character—they look for everything else but character. After all character is the main thing in administering a department of a financial nature. I think my hon. friend had better allow this to go through as it is. We have arranged to have a sitting with the Civil Service Commission and point out some of the difficulties that have crept in from time to time in a department where large sums of money are handled. I shall be glad to discuss the matter with my hon. friend confidentially and tell him what I know, and I think he will agree with me.

Mr. GARLAND (Bow River): Nothing would give me greater pleasure than to accede to any reasonable request of the Minister of Finance, but any argument he has used is more applicable to appointments by patronage than appointments by commission. Furthermore he knows that, in spite of the, shall I say, exceedingly acute manner in which he endeavours to make the suggestion, without actually stating it, that he found himself in great difficulty with respect to the appointment of an employee who had been in the penitentiary at some time or other. He can get rid of that employee under the Civil Service Act by order in council.

Mr. ROBB: Yes, we might, after he had run away with a million dollars of my hon. friend's money and mine.

Mr. GARLAND (Bow River): Exactly the same characters, or even worse characters, have crept in under patronage than under the Civil Service Act. There is no question about that, and if the minister wants me to waste time I shall give all sorts of cases. The min-

ister must not forget some of the appointments which have been made under patronage. There is nothing more essential to the country's future welfare and proper development than the administration of the civil service, under, I shall say, principles that have elevated the civil service of Great Britain and placed it above all others, so far as I know, in the matter of personnel and ability. The only way we can hope to improve the civil service is by adding all our strength and force to the prestige of the present commission, and not by appointing such men as have been placed in their positions by patronage. Let us work in this direction, not from the bottom up but from the top down. We are taking a very serious step if we open the door to patronage in the matter of appointments in connection with this board. It is going to be one of the most vicious forms of patronage. The Liberal whip grunts and groans at this suggestion.

Mr. CASGRAIN: No.

Mr. GARLAND (Bow River): The hon. whip would be better employed in studying the terms of the Civil Service Act and making it a little better, instead of sneering at it. The attitude assumed by the other side of the House in this matter is regrettable. I do not wish to antagonize hon. members in this matter, but frankly I cannot agree with the minister, and I cannot allow this matter to pass without a protest. I cannot support the proposition to place the appointments of the stenographers, the appraisers and everyone else, the huge personnel of this federal loan board, at the door of patronage. I am opposed to it and I record my protest against it.

Mr. ROSS (Kingston): I think the minister has made some serious statements in the last few minutes, and I do not think that they can be correct, if I understand what has been the procedure of the Civil Service Commission in the past. He says that the Civil Service Commission do not look for character, that that is the last quality which they consider. I know of no position filled by the Civil Service Commission where the applicant has not been asked to furnish references, and these references are always communicated. They are in nearly every case I know of. How can the minister say that character is one of the matters that is not touched upon by the commission, when, as far as I know, the practice that is followed by the commission is to look into the matter of character? I should like to know it, if they proceed in one way in one district and in another way in another. The minister should think seriously before that statement is broadcast.

Mr. McGIBBON: I think it is quite evident from the minister's remark of a few moments ago that the government must do one of two things; either they must have the courage of their convictions and bring in a bill to get rid of the Civil Service Commission—

Mr. ROBB: We do not want to get rid of them.

Mr. McGIBBON: You do not want to get rid of them openly, but you are taking this means of getting rid of them so far as these appointments are concerned. We have a Civil Service Commission two members of which were appointed by this government, and what does the minister say? He cannot trust this commission, with two of the government's own appointees on it, to appoint the officials who are to work under this act. The thing is absurd. If the minister believes what he says, he should have the courage to bring in a bill to get rid of the Civil Service Commission, for that is what he is doing here in an underhand way so that the people of this country will not get wise to it. For the minister to say that he cannot trust his own commission to make the many appointments necessary under this act, to say that the commission may appoint gaol birds and cannot be trusted to choose men even for minor positions, is a serious charge to make against the Civil Service Commission. The minister has said either too much or too little.

Mr. ROBB: I have nothing whatever to withdraw. Unfortunately, we have had the evidence within quite recent weeks of exactly the kind of thing I frankly stated to the House to-night. My hon. friend must not try to convey the impression, just because I pointed out a certain condition, that we are opposed to the commission. Nothing of the kind. We are in favour of it. I am in favour of exactly the same system of civil service administration as they have in Great Britain; but we have not that system in Canada. My hon. friends would try to represent that we are departing from the system of appointments by the Civil Service Commission in creating this very small organization to administer this act, for it will be very small. From letters coming in I notice that there is an idea that we are going to build

up a large organization and load it down with expense. Nothing of the kind. Let me point out that my hon. friend sat behind one of the ablest Finance ministers that Canada ever had, and he exempted the Income Tax branch from the operation of the Civil Service Act.

Mr. GARLAND (Bow River): That is no excuse for the minister's action, surely.

Mr. ROBB: I am not offering it as an excuse. I am simply using it as an argument to my hon. friend from Muskoka-Ontario.

Mr. ROSS (Kingston): Does the minister know any other method than the one I have mentioned by which an insurance or liability company operates? They take references from reliable people in the community, who vouch for the character of the applicants. If such people are not to be trusted, where can you get reliable evidence?

Mr. MALCOLM: I would like to offer a word, not in criticism of what hon. gentlemen opposite have said, but simply as chairman of the committee which investigated the whole civil service a few years ago. There is a condition in the Finance department as was pointed out privately to that committee, and in regard to which we seriously considered making certain representations, calling for a high degree of honesty and secrecy in the men who administer that department, and the same applies to the Income Tax branch. I do not think it is possible for the Civil Service Commission, with their machinery constituted as it is to-day, to make inquiries into a man's private life and his records as to trustworthiness without probably casting reflections on some of the men who have not been chosen for appointment. The staff that will be required in the administration of this act is going to be small, and I feel that in this respect the minister in the present bill is not asking even as much as a former Minister of Finance asked in connection with the Income Tax branch employees. He asks the right to select men who, in his opinion, would be worthy of the confidence he put in them. At the time the committee of which I was chairman sat, we were invited by the Finance department to go through the sub-treasury vaults, and I believe that most of the members of that committee who took the trip, and some of them are still in the House, came to the conclusion that what former ministers of finance have said—and it is what the Minister of Finance is saying to-day—was perfectly justified, namely, that there is a class of positions in the Finance department in regard to which nobody should have the right of selection except the senior officers of the department who are responsible for its administration. I make that observation with regard to the Finance department based on my own experience as chairman of that committee which brought in the Civil Service Act amendments under which we are now working. We did not recommend that the Income Tax branch be put under the Civil Service Commission for the reasons given to us privately, and for the very same reasons I would not ask that those engaged in the administration of this act be placed under the Civil Service Commission.

Mr. McGIBBON: I cannot let either of the two ministers get away with such nonsense as that. There is absolutely no comparison between the experts in the Finance department and the officials who will be appointed under this bill.

Mr. MALCOLM: Has my hon. friend ever had the pleasure of visiting the sub-treasury vaults of the Finance department? Let him do so, and then make his comments on nonsense.

Mr. McGIBBON: I have had that pleasure. This bill is providing for the employment of "officers, appraisers, inspectors, attorneys, clerks and other employees."

Mr. MALCOLM: How many are there?

Mr. McGIBBON: The whole staff. Does the minister say that there is any comparison between these employees and the higher officials of the Finance department? The thing is absurd.

Mr. ROSS (Kingston): Is the minister serious in his statement that the Income Tax branch has not been placed under the Civil Service Commission because that might cast a reflection on somebody?

Mr. MALCOLM: No, I was referring to the higher officials.

Mr. ROSS (Kingston): Certainly not. Everybody in this House knows there is a reason why the Income Tax branch was not put under the Civil Service Commission. The minister's remarks might apply to a few of the higher officials of the Finance department, but not to the under-officials who will be engaged under this act. The minister cannot be serious in suggesting that it would cast a reflection on certain people who have been appointed in the past.

Mr. MALCOLM: I was referring to the higher officials.

Mr. GARLAND (Bow River): I do not think this clause should pass until we have had the opportunity of definitely establishing where the groups in this House stand in

regard to the retention of the Civil Service Act and the maintenance of the prestige of the Civil Service Commission. I do not see how the government can very well get away from it. As I stated in my introductory remarks, I have no objection to the government providing in this bill for the appointment of the federal board, the provincial boards and an advisory council, in whatever way they consider will get the best results, but so far as the subordinate positions are concerned, I ask that they be placed under the Civil Service Act. I hesitate to move an amendment. I do not wish to embarrass the minister, but I think this is only a reasonable request which should be acceded to by the government.

Mr. CAMPBELL: I think we could all agree with the Minister of Trade and Commerce and leave these appointments to the senior officer of the department concerned if only we could be sure that that officer would control these apointments. To my mind, that is the question for us to decide in discussing this matter. I do not know that the minister himself would have an absolutely free hand in making the appointments. We all know the pressure that is brought to bear in the making of political appointments. There would be pressure from every point of the compass and the minister himself, if he were frank, would state that he did not have an absolutely free hand in making the appointments. I heard the former leader of the official opposition, the Right Hon. Arthur Meighen, say on one occasion that a minister who tried to enforce the merit system in his own department would be defeated by his own party on the floor of the House, and I do not think I could put it in any stronger language my condemnation of the patronage system. I would not go so far as the hon. member for Bow River and suggest that we should amend the act, thereby tying up the matter at this time. I realize that we spent a lot of time on this bill last year, as we have done this session, and I would hesitate to do anything that would interfere with the progress of the bill at this stage. But when the question of the Civil Service Commission versus patronage is under discussion we ought to state exactly where we stand. The observations of the minister with regard to certain men in his own department appear to me to be hardly applicable in a general way to the Civil Service Commission. If a man of questionable character is found in the service under the present system, I venture to say that for every one of that type under the commission I can point to two or three men appointed under the patronage system who are a good deal worse; not perhaps in the employ of this government, but men who have been in the service of various governments of Canada, provincial or federal. I know that very often ministers of the crown, whether provincial or federal, have not a free hand in the matter of appointments. Men come along who have given their services in an election and who are looking for their reward, and the minister is unable to resist the pressure brought to bear upon him. The object this parliament had in view when the Civil Service Commission was created was to relieve ministers of the crown of this very pressure. Why, the present Speaker is on record in Hansard as saying, after the Civil Service Act had become law, that he walked home from this House that night feeling for the first time in his political life a free man. Surely that statement ought to be considered.

Mr. DUNNING: I have just a word to say in reference to the manner in which this legislation will work out in practice. I do not think that due regard has been paid by some hon. gentlemen to the provincial board feature of the bill now before the committee. Provincial boards are provided for, three of the members to be nominated by the government of the province and two other members by borrowers within the province. Then provision is made in the section under discussion for the national board to make regulations with respect to the employment of the officers of the board. I expect to see it work out in this way: the provincial board having to do with the work on the ground will necessarily have a very large say as to the officers who are to operate within that particular province. If that is not the case we certainly shall not get, in the various provinces coming under the act, men who will be willing to assume the responsibilities for administering the act in those provinces. The provisions of the bill are sufficiently elastic to facilitate coöperation between the Dominion and the provincial governments, not only as regards the financial aspects of the measure, but as well with respect to its administration directly within the limits of the respective provinces. Personally I think the method now suggested in the bill should be given a trial rather than it should be insisted upon that the Civil Service Commission of Canada at Ottawa should make appointments within the provinces in relation to a matter with which the provincial governments are concerned. I do not think it wise, because of the joint liability created under the terms of the bill, that the commission

should be asked to make these appointments. The administration of this law will in the nature of things be largely experimental. The bill is different from other measures which have been enacted from time to time to make possible coöperation between the Dominion and the provinces. This is different in that there is to be coöperation in administration. Reading together section 8 and section 16, with which we are now dealing, I think there is considerable merit in the contention of the minister, apart altogether from the arguments he advanced on other points. As he has pointed out, the employees at headquarters in Ottawa will necessarily be the smallest proportion of the staff. Indeed, the minister tells me that he intends to use in Ottawa, so far as the admnistration of the act here is concerned, a branch of his department which is now under the Civil Service Commission. But with regard to provincial administration my own opinion is that regulations will have necessarily to be evolved, setting out a form of coöperation between the province and the Dominion with respect to the conduct, within the province itself, of what is really a joint undertaking.

The CHAIRMAN: Shall the section carry?

Mr. GARLAND (Bow River): On division.

Section agreed to on division.

Section 17 agreed to.

Bill reported, read the third time and passed.

NORTHWEST TERRITORIES ACT AMENDMENT

EXPORT TAX ON FURS

Hon. CHARLES STEWART (Minister of the Interior) moved the second reading of Bill No. 123, to amend the Northwest Territories Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Export tax on furs.

Mr. SPENCER: Could we have some explanation from the minister as to whether this bill is to raise revenue, or to control the fur trade or export trade, or what it is for?

Mr. STEWART (Edmonton): I gave an explanation on the introduction of the bill. We are aiming to bring the Northwest Territories in conformity with the rest of Canada. There are fur taxes in every other province, including the Yukon, and some complaint has been made that in Alberta particularly fur packs were coming in and the tax was collectable, but the statement was made that the furs came out of the Northwest Territories and there was the difficulty of proof. Of course our expenses are always going up in the territories; we think this act will remove the difficulty of collecting in Saskatchewan and Alberta and will give us some revenue for the administration of the territories.

Mr. FRASER: What amount of tax is it proposed to impose? Is it in conformity with the tax in Alberta?

Mr. STEWART (Edmonton): It will be based on each pelt, but at the prices of furs to-day it will approximate about 5 per cent.

Mr. KELLNER: It is a pretty well established principle of taxation that no tax shall be levied on a people who are not represented, and I wonder if the minister does not think he is getting away from that principle in this bill. The Northwest Territories certainly have no representation.

Mr. STEWART (Edmonton): That is true, but we have the Northwest Territories Council in operation; we are spending a very considerable amount of money annually from the revenues of Canada in those territories, and we are quite within our rights in imposing this tax. The reason it is called an export tax is because there is no local tax; if the citizens desire to use their furs within the territories no tax is collected.

Mr. KELLNER: I would take objection to the remark of the minister about the Northwest Territories Council. In the first place I think the personnel of that council is wholly composed of people residing in the city of Ottawa. It is true that they may have some knowledge of the Northwest Territories from having taken a trip there or something of that kind, but I very much doubt if any of them are personally acquainted with the conditions existing there to-day. The council is not elective and the people of the Northwest Territories have not the privilege of the franchise; they are in an even worse situation than are the people in the constituency of Athabaska. I doubt very much if the minister is within his rights in imposing a tax of this kind.

Mr. STEWART (Edmonton): All I can say is that the bill has been drawn up by the Department of Justice; they tell me we are quite within our rights, and of course they are the people who give legal advice to the government of Canada. I think if my hon. friend will make inquiries he will find

that we are quite within our rights. When my friend says that none of the officers of the Northwest Territories branch go into the territories he is entirely mistaken. Officers of the department are in that territory every year, going down the Mackenzie and to Herschel island as well as down the east coast. That trip is made annually; all the police posts are visited, and we have very intimate knowledge of what is taking place in both portions of the Northwest Territories. I am willing to admit that there are hundreds of thousands of miles of unexplored land there, but they contain no white settlers.

Mr. IRVINE: May I ask a question? Is not the trapper already taxed on his traps, his other utensils, his clothing and everything he uses, without placing a tax on his furs?

Mr. STEWART (Edmonton): My friend may be pleased to be facetious, but I may ask him the same question about the trapper in any other province of Canada. Does not the same thing apply? This has been the one happy hunting ground in which there was no tax on furs, and there is still no tax on the furs used by the residents of the district, which is not the case in any other province.

Mr. ROSS (Moose Jaw): With regard to the point brought up by the hon. member for Athabaska (Mr. Kellner) that the Northwest Territories have no representation, I would suggest that they be added to the Yukon territory. I believe there are only about 3,000 people in the Northwest Territories and the hon. member for Yukon (Mr. Black) could very well represent them in this House.

Mr. EVANS: I think this is a very hard measure to impose upon the few residents of the territories. If, as the note of explanation in this bill says, foreigners are going in there trapping and sending out their furs without paying a tax, I think that could be very easily looked after by issuing licenses, as is done to hunters. It does seem rather hard to tax these few residents of that great north country, where conditions of life must be very hard. This tax is imposed on their only means of securing a livelihood, and seems to be rather severe.

Mr. STEWART (Edmonton): I may say to my hon. friend that the tax will not be at all onerous upon the residents of the territories; it will be similar to the tax in force in the Yukon territory, which was enacted some years ago. It must be remembered that the residents of that country are having a very considerable amount of money spent in improvements and facilities for carrying on their work and earning their livelihood. Surely, if every other commodity bears a tax, there is no good reason why a small tax should not be placed upon these furs.

Mr. KELLNER: Will the minister explain how he expects to collect the tax, and where?

Mr. STEWART (Edmonton): We expect to collect it when the furs are leaving the territories, at Herschel island and on the east coast; it will be collected by our police force at the various posts, and especially at Fort Smith. The present staff will do all the work; there will be no necessity for increasing the staff.

Mr. BENNETT: Mr. Chairman, when I was in the west last week I was spoken to by two or three gentlemen who indicated to me that one of the difficulties in this legislation is that all the business in that country is conducted on credit, and long term credit at that. If this measure is to become operative at once it will undoubtedly work a very great hardship not only upon the settlers who have the furs to sell, but upon others as well. I was going to ask the question which the hon. member for Athabaska (Mr. Kellner) has just put to the minister; how does he propose to collect the tax? It seems to me reasonably clear that one of the great difficulties will come about, under the circumstances which he has mentioned, in the collection of this tax. Having regard to the fact that this matter was threshed out in this House some two or three years ago and was not then proceeded with, I now suggest to the minister that he give these people a year's notice. Let him put the measure upon our statute book, and let him indicate that at least a year will be given in which to make possible an adjustment of these conditions before the imposition of such a tax is made. Otherwise I am satsified that it will work a very grievous hardship and a very grave injustice to many people. The minister knows far better than I, because he has lived farther north in Alberta than I have, that there is a limited population in that area. They have no representative in this House, as has been already pointed out this evening. They are governed more or less by a benevolent autocracy, which is the best form of government that you could get if you reconcile your mind to it, and that is always one of the difficulties—

Mr. DUNNING: Tempered by assassination.

Mr. BENNETT: Well, it depends entirely upon who is the "assassinator" and who is the "assassinee". I can readily understand after the hon gentleman's observations the other evening that if he had the "power" he would commit hari-kari. At any rate I do suggest to the minister, in order to avoid any possible misunderstanding as to the reasons behind this legislation, that if this power is taken and the exercise of it deferred deliberately a year he will accomplish the purpose he has in mind, and everybody then will have an opportunity of adjusting himself to the new conditions. I fear very greatly the unfairness and injustice that will be done to many people, if I am correctly informed, if this legislation becomes immediately operative, and I fear much more greatly the difficulties that will attend the collecting of the revenue. I fear the minister will find that in nine cases out of ten either one of two things will happen: An adjustment will have to be made with the original gatherer on basis of the furs taken, and he will get that much less money, or else the furs will be sold under such conditions that no tax will be collected and the government will then have to seize the furs for non-payment of the tax, causing much irritation, much difficulty and many complications. After thinking the matter over in the light of what was said to me the other day in Calgary and Edmonton—and I think representations have been made to the minister—it occurs to me that it would serve an excellent purpose if he could see his way clear not to make this legislation operative until another season. That is my only suggestion at the moment.

Mr. STEWART (Edmonton): I have had representations made to me to delay the imposition of the tax, but those representations have come very largely from transients.

Mr. BENNETT: From whom?

Mr. STEWART (Edmonton): From the transient traders. The transient trader is the biggest difficulty we have to encounter. He is the man who has been going in there and securing fur from the legitimate traders and is responsible for the losses to them. In order to cope with that difficulty we put into effect a regulation insisting on licenses being issued, and we do not any longer issue a license to the transient trader. Some hon. member may say that is all in favour of the big fur companies but it is not. All we ask a man to do is to take out a license and establish himself in some definite locality. We are being bombarded by the very men who wish to travel by dog team here and there and gather all the furs they can get hold of. In the meantime some legitimate trader who has given credit to the trapper and his family is cheated out of his legitimate return. The greatest difficulty lies in connection with the matter of credit, and I want to say frankly I do not see anything in the argument at all with respect to the destruction of credit by the imposition of this tax. The difficulty has been created by the fact that some people have seen fit to get outfits, go into the territories, make rapid trips through the country visiting Indian camps and trappers, buying furs and getting them as cheaply as they can by reason of paying cash. That was the greatest evil we had to contend with in the Northwest Territories. We have stopped all that. We allow no one to enter the territories as a fur trader unless they have a license. We issue a license to a trader no matter whether his operations be small or large; if he says that he intends to trade at a definite location and establish himself there he gets a license and he can begin business. So that we are not, and I want to make this point very clear, turning these operations over to the big companies, such as the Revillon Brothers and the Hudson's Bay Company. I think they complained just as bitterly when the suggestion was made that we put a stop to the operations of the transient traders in order that we might give that protection to which the trade was entitled. I have no notion, however, of bringing these acts into effect with respect to this year's catch. I think due notice should be given in order that the companies interested and others in the business should adjust themselves to the new conditions.

Mr. BENNETT: That is what I had in mind.

Mr. STEWART (Edmonton): On the other hand I wish to make it very clear that the difficulty did not arise in regard to the stopping of credit. The difficulty was that those who gave legitimate credit were cheated out of their returns.

Mr. BENNETT: I think the minister did not follow me correctly. What I had in mind was that if the tax is to be exacted it is probable the price paid for furs will be less than the price theretofore paid, and inasmuch as the price has been fixed and the credit given it follows that with respect to this year's catch, if I may use that word—I think the minister says that is the correct term—

Mr. STEWART (Edmonton): Quite right.

Mr. BENNETT: If that be so it might unjustly affect the whole arrangement that had been made. Hence my suggestion that it should not be proceeded with at least until another season. Then business will be transacted on the basis of the tax and prices will be regulated accordingly. If the difficulty that presented itself to his mind has been cured, as the minister says, then clearly there should not be much trouble on that score. If the danger exists no longer there should be no more difficulty in regard to it.

Mr. KELLNER: There may be considerable dissatisfaction with the transient trader. I should like to suggest to the minister that he go into the library and consult the record of what the Hudson's Bay Company did at the time it had control of the whole of that territory. I want to point out to the minister that in collecting the tax in the way suggested there will be quite a lot of points where it will be absolutely impossible for the residents to sell their furs at all because there is no office at which a tax can be paid. I do not for the life of me see how the trappers are going to dispose of their furs unless they come out to the main centres, which will mean a trip of several hundreds of miles. I think it will involve unnecessary hardship to many trappers in the district. I have been asked to oppose this measure, but I shall say nothing further at the present stage beyond urging that this legislation be seriously considered before it is passed.

Mr. STEWART (Edmonton): I think my hon. friend is unduly alarmed. I have a pretty good idea from whom the opposition to the bill is coming. To some of these men we have refused to issue a license altogether because of the manner in which they have treated the natives in the territories. We do not want to make fur operations expensive, but we do want to know who are in the business. After all very few trappers bring their packs down to the city of Edmonton to dispose of them, although some of them do. The legitimate trappers are well known, their reputation is good, and they will not be subjected to any undue hardship in connection with the payment of the tax. I wish to move, in order to meet the objections of my hon. friend (Mr. Bennett) that the act shall not go into force until January, 1928.

Mr. BENNETT: That would cover the season of 1928.

Mr. McGIBBON: What will the license fees be? Will the amount be the same in all cases?

Mr. STEWART (Edmonton): They are not the same. They are less for a Canadian.

Mr. McGIBBON: What about the fees for non-residents?

Mr. STEWART (Edmonton): They are pretty high.

Mr. BENNETT: I understand the minister proposes a tax of 5 per cent?

Mr. STEWART (Edmonton): It is approximately that. It is on a basis of so much per pelt.

Mr. BENNETT: How is the minister going to fix the basis of the price of the pelt?

Mr. STEWART (Edmonton): On the present price it is approximately 5 per cent. If fur goes up in price, it would be less. If fur goes down, it would be more. We have authority to change it from time to time.

Mr. BENNETT: Does the minister propose to fix it as a set charge per pelt?

Mr. STEWART (Edmonton): Yes. We must do it in that way.

Mr. BENNETT: I understand it is impossible to do it otherwise, because if you do it on a valuation basis, you would have all kinds of complications.

Mr. STEWART (Edmonton): It is so much per pelt. It is approximately 5 per cent on present prices. If prices go down, we have authority to reduce the tax and if prices go up, we have authority to increase it.

Mr. BENNETT: It is in the form of a specific tax per pelt?

Mr. STEWART (Edmonton): Yes.

Section agreed to.

Mr. STEWART (Edmonton): I move that there be added as clause 2:

2. This act shall come into effect on the 1st day of January. 1928.

Section agreed to.

Bill reported, read the third time and passed.

WEST INDIES TRADE AGREEMENT

ORGANIZATION OF COMPANY TO PROVIDE STEAMSHIP SERVICE

Hon. CHARLES A. DUNNING (Minister of Railways) moved the second reading of Bill No. 142, respecting the Canadian National steamships, and to provide for the establishment of West Indies service.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Short title.

Mr. STEVENS: The proposal is that a new company is to be incorporated under the Companies Act to carry out the purposes and intentions of this legislation. I have under my hand in the Canada Gazette of January 11, 1919, a copy of the charter of the Canadian Government Merchant Marine. I gather from a study of this legislation that it is intended to organize a company under the Companies Act in precisely the same manner as and of similar character to that of the charter of the Canadian Government Merchant Marine. My first question to the minister is: Why not use the Canadian Government Merchant Marine for this purpose? Why incorporate a new company at all?

My next point is this: This legislation provides in one of its subsequent clauses that each of the ships owned by this company may be incorporated as a separate company. That is, of course, the accepted practice. It also provides that the stock of this subsidiary company shall be owned by the company to be incorporated under the Companies' Act. Precisely the same power exists already in the charter given to the Canadian Government Merchant Marine, so that adds to the force of my argument that the Canadian Government Merchant Marine should be used.

The third point is this: This legislation provides that the Canadian Government Merchant Marine may turn over to this new company some of the ships it now owns. That seems to be a third reason why we should use the charter of the Canadian Government Merchant Marine instead of encumbering the records and so forth with a new charter. The other day when this matter was before the House, the minister rather disposed of the argument advanced regarding the organization of a new company by saying that it was desired to keep the accounts of this new proposal entirely separate and distinct, so that we might know precisely how the business stood. There is no difficulty whatever in doing that under the present organization. It would be the most simple and elementary matter in accountancy to set up a separate accounting. Indeed you could set up a separate set of books for this and operate quite as effectively under the charter of the Canadian Government Merchant Marine. In my opinion this could be done very much better under the present charter than by the incorporation of a new company. For instance, in this charter I find that they have power:

To construct, purchase, lease or otherwise acquire, charter, own, maintain, operate and manage steamships, vessels, tugs, car ferries, dredges, lighters, barges, boats, and water craft of every description.

It goes on. They have the right to acquire.

Structures, erections, buildings, hotels, shops, stores, works—

And so forth.

Lands, water lots, docks, wharves, basins, slips, harbour and port works and terminals and other facilities, easements and privileges of every description.

To build, purchase, lease, or otherwise acquire, manage or control. . . . such buildings as it deems advisable for hotels and restaurants;

To use any of the funds of the company to purchase or otherwise acquire, and take and hold shares, bonds, or other securities of or in any other company or corporation, notwithstanding the provisions of section 44 of the said act.

And so on. Therefore, instead of a new charter being secured under the Companies' Act, the powers taken in this bill should be given effect to through the Canadian Government Merchant Marine under its existing charter. That is the first point I wish to make. I might ask another question at the same time so that the minister can deal with it while he is speaking. Who will be incorporated as this new company?

Mr. DUNNING: My hon. friend has asked several questions, and if I should miss one of them, he will remind me. The question as to how the steamship services under this West Indies trade agreement should be provided has been the subject of study by the permanent officers of the Department of Railways and Canals, and more especially by the management of the Canadian National Railways. The method suggested by my hon. friend was, of course, the first method considered. It must be remembered, however—and this is one of the reasons which led to the conclusion to incorporate what is not only a separate company, but a separate holding company in a certain sense, because as my hon. friend mentioned, later on in the act provision is made for the incorporation if necessary of each ship in a separate company for reasons which were discussed when the financial resolution was before the House, and which were more clearly explained by the hon. member for Pictou than I think by anyone else—the Canadian Government Merchant Marine now in existence is indebted to the government of Canada directly. The finance minister holds notes given in payment by the Canadian Government Merchant Marine for the sums advanced originally for the building of the vessels now composing the merchant marine. As the House knows it has been the subject of discussion and the exer-

cise of much judgment as to how the very great depreciation in value as compared with the original cost of the merchant marine vessels should be taken care of, and we have not yet got out of the woods completely in that regard. In view of the fact that this particular West India service is in a sense a partnership arrangement with the West India colony, in view of the fact that they themselves each contribute, under the terms of the West India trade agreement, a subsidy towards the maintenance of the service, it is considered wiser to have the holding company completely standing on its own feet, separate entirely, so that we can in an accounting sense and in a corporate sense show to the West India colony from time to time what it is costing Canada, and what effect their contributions with respect to the cost of the service would have. The method provided in this act, as will be indicated when we come to section 3, is to finance the building of the ships by way of government guaranteed bonds, and it is expected, as I indicated in discussing the financial resolution, to amortize the ships during the course of twenty years out of the revenues received from freight and passengers, and also from subsidies from the various islands. It is also desirable, for comparative purposes that this House should know from time to time what the actual deficit on this separate service is, because it is comparative with what we have been paying for many years by way of subsidy to private corporations for operating a service to the West Indies. Taking it by and large, it is just a matter of business judgment as to which was the better way to handle it, and the judgment of all those connected with the Canadian National railway in an executive way and the judgment of those who have had to do with its business, is that it would be much better to organize a separate company for this purpose, retaining of course entirely the merchant marine organization and staff for the operation of the boats. I do not want to speak positively as to the future, but I would not be surprised if in future years it was found desirable to gradually absorb the Canadian Government Merchant Marine into this company, rather than to absorb this company into the merchant marine. I do not speak positively with regard to it. It is a possibility. As we go through the bill it will be found that provision is made for calling the two companies the Canadian National Steamship Company, and providing for the use of a common name regardless of whether they be Canadian government marine vessels or Canadian national steamship, if they are incorporated under this act.

Mr. CANTLEY: What thought lies behind the suggestion that they would transfer the Canadian Government Merchant Marine into this company?

Mr. DUNNING: The thought that lies behind it is this; when the Canadian Government Merchant Marine was organized it was organized as a governmental institution. Its name indicates that. Subsequently, after the organization of the Canadian National railway, the management of the Canadian Government Merchant Marine was entrusted to the railway management. In the case of other institutions of a similar character—that is the steamship lines connected with the railway line—it has been found desirable for reasons that apparently were good to those who were interested, to incorporate the steamship company with the name of the railway company, and now that the term "Canadian National" stands for something in the way of efficiency and service, there is some value in it as attached to a steamship concern under exactly the same management as the railways themselves. That is one thought. However, I am not to-night, in connection with these proposals, proposing that that should be done, but I indicate that in the future it is possible such a development may take place. My hon. friend from Centre Vancouver says that the terms of the charter do not differ widely from the terms of the original charter of the Canadian Government Merchant Marine, but the method of financing it is entirely different to the method followed on that occasion, and we are starting this company free entirely from the old awkward obligations of the Canadian Government Merchant Marine in the matter of capital expenditure, in the matter of values of ships. The cost of the ships was far, far out of proportion to the present value.

Mr. STEVENS: My hon. friend has not answered the other question as to who would be the incorporators of this company.

Mr. DUNNING: I think there is a section of the bill with regard to that point.

Mr. STEVENS: The company has been organized under the Companies Act, and certain individuals would be incorporated under that act as a company. Who are these individuals?

Mr. DUNNING: They will be the directors of the Canadian National.

Mr. STEVENS: That is decided?

Mr. DUNNING: Oh, quite. We are not introducing any outside interests whatever. I assure my hon. friend there is no intention to introduce any outside interests.

Mr. MacLAREN: Will the boats of this company run between the West India islands and Canadian ports alone, or is it proposed that they will touch American ports?

Mr. DUNNING: The treaty covers that.

Mr. MacLAREN: A few years ago it was permissible that they call at American ports. Under the present arrangements it is proposed that they will be restricted to West Indian and Canadian ports.

Mr. MALCOLM: The terms of the treaty are to give direct service. There is no treaty affecting American ports.

Mr. BENNETT: What the minister has said might be well said with respect to any company which changes its name. The Canadian Pacific Railway Company changed the name of the Dominion Express Company to the Canadian Pacific Express Company for reasons they gave which were good and sufficient. The minister says the service may be known as the Canadian National Steamships Company for the same reason, because the Canadian National with respect to railways has become so well known. But there is in this bill a serious matter raised by the hon. member for St. Lawrence-St. George last year, and that is this: What is the obligation imposed upon this country by reason of this legislation? Whatever obligation is imposed upon this country by reason of this legislation—it does not make any difference whether it is guaranteed securities or not—the people of this country must pay if the corporation does not. That is as clear as anything in the world. Whether the obligation is imposed with respect to deadweight debt or guaranteed securities does not make much difference. The Canadian National got $10,000,000 out of the people of this country last year in cash, and the taxpayers paid it. It did not make much difference where it went; whether it went direct to them or in some other way, we had to pay it.

I have looked through this bill, as I did the resolution, with some degree of care. Who is going to build these ships? How are the contracts to be let? What are the circumstances under which the ships are to be built? Speaking for myself, I think there should be added to this bill a provision that not one single contract should be let without public tender with respect to these ships. I have not any doubt that that should be done.

[Mr. Stevens.]

I have not observed what has taken place in this country during the years I have been able to remember without having learned something, and legislation of this character is an invitation to the collector—not the collector of customs either, as we understand the term. I think the time has come to insist that there be added to the legislation itself a provision that no contract shall be let until there has been first public notice and public tenders called for.

Then you will have three sets of figures to consider. You will have an offer to build these ships from continental Europe; you will have an offer to build these ships from Great Britain; you will have an offer to build them in Canada. Then there will be pressure to build them in Canada, because that offers greater facilities for those who desire that to be done. There will be a certain amount of pressure to build the ships in Great Britain; that will be less, and the pressure to build them in continental Europe will be less still. Everybody knows that in the history of building ships, the Royal Mail Company and other lines have found it necessary during the last few years, in order to be able to compete at all upon the high seas, to have their ships built where they could be built most cheaply, and they have had them built in Amsterdam, Hamburg and at the Vulcan Works in Stettin, because the price at which they could be built there was very much lower than what they could be built for in England. The British shipowner could not compete with German and Netherlands built ships if he had to pay British ship-building costs.

We in Canada are faced with this situation. This government made a treaty with the West Indies. That treaty involved this country in large financial obligations. For several days the member for St. Lawrence-St. George endeavoured to ascertain from the government of the day what that involved in dollars and cents. No figures were forthcoming. There came a change of administration for a few months which left those who assumed the responsibility in very great difficulty, because the question of implementing our promises under that treaty had not been commenced; the ships had not been contracted for or built. There was a small sum of money available that enabled us to maintain our word of honour with respect to the West Indies to a limited extent. The Minister of Trade and Commerce knows the demands made from the West Indies with respect to this service being provided. They say: You have contracted to give us this service, and

now we demand that you give it to us. We say: It takes time to provide the service, and in the meantime we will do the best we can. We have now decided, instead of leaving this service to somebody else, that we ourselves will probably construct the ships for the purpose of providing the service and in order to maintain it, as the minister has very properly said, upon a business basis, we have further decided that we will have an entity created under the Companies' Act, with powers in addition to those that might be obtained under that act given by the measure that we now have before us. That involves, of course, the creation under the Companies' Act and this statute of a new corporation which will have an appropriate name. To that company will be payable the subsidies granted by this government as well as by the West Indies government.

Mr. DUNNING: No.

Mr. BENNETT: In lieu of paying out money exactly as a subsidy as we have been doing heretofore, we are going to guarantee securities, which admittedly means a deficit, the amount of which we have been very anxious to obtain.

Mr. DUNNING: It was given to the House the other evening, so far as an estimate is concerned.

Mr. BENNETT: So I observed, but we have no figures in detail as asked for last year except the estimate of the minister, which I take it is based on the best information he can secure. In other words, what we are going to do is to back the note of this company for the amount of money that may be necessary to build these ships, and we propose, instead of paying a subsidy from year to year as we have done heretofore for this service, to assume the responsibility for the deficits which are inevitable. Now the true test of the value of this is going to be the extent to which the deficit exceeds the subsidy, having regard to the fact that the ultimate ownership in the venture will rest with the Canadian people who advance the money by endorsing the note of this corporation. That being so—and I observe from the acquiescence of the two ministers that they realize this is really a venture of the Canadian people, pure and simple—

Mr. DUNNING: Of course.

Mr. BENNETT: That being so, is it not right and just that we should add to this legislation a provision that no contract for the construction of these ships shall be made unless called for by public tender, so that we cannot in any sense divert responsibility from the government to the corporation created by this statute? I am not saying that in an offensive way; I mean it in the sense that the obligation must be a governmental obligation. My observation as well as my experience has taught me that, in the langugae of Professor Ripley, who has been writing such excellent articles in the Atlantic Monthly and other magazines recently with reference to corporate administration, one of the safeguards of the public in this regard is publicity, and that publicity comes through tenders called for publicly from the shipbuilders. I do not say that you are going to put an advertisement in the Podunk Review—

Mr. DUNNING: Or the Calgary Herald.

Mr. BENNETT: Or the Regina Leader. If it were given to the Regina Leader, having regard to its proprietorship you would no doubt get a response from the Vulcan yards at Stettin. One of the safeguards of the public which should be provided in this bill is that no contract shall be made by this company for the construction of these ships unless public tenders have been called for. That is the real point I desire to make in regard to this legislation.

Mr. DUNNING: I am sorry my hon. friend was not here the other night because we discussed this at very great length, and I think the discussion centered more around the building of these ships than around any other part of these proposals. I would point out to my hon. friend with reference to his last suggestion, which was also his first, regarding tenders and so forth, that both the Minister of Trade and Commerce and myself, who are primarily concerned in the matter, he with the trade and treaty end and I, of course, with the initiation and operation of the service—

Mr. BENNETT: Although it is neither a canal nor a railway.

Mr. DUNNING: Although it is neither a canal nor a railway. I would point out to my hon. friend that in order to cover the very point he mentions—we are again discussing the bill generally now, Mr. Chairman, instead of by sections—an addition was made to section 8 in order to nail the responsibility definitely to the government with respect to the contracts for the building of these ships, as follows:

All contracts or agreements involving an expenditure in excess of $500,000 shall be subject to the approval of the Governor in Council.

Mr. BENNETT: That is not the point. I have read that.

Mr. DUNNING: My hon. friend knows perfectly well that that involves the scrutiny of parliament of every detail in connection with these contracts.

Mr. BENNETT: After the event.

Mr. DUNNING: After the event, of course. With regard to calling for tenders, it was plainly stated the other evening that that would be the course pursued, only I am not at all sure that we should do otherwise than the Canadian Pacific steamships, for instance, or the Royal Mail Steam Packet would do—

Mr. BENNETT: They always call for tenders.

Mr. DUNNING: But they would not advertise, not in the Vancouver papers. They would address their call for tenders to shipyards which they knew could produce the goods.

Mr. BENNETT: That is right.

Mr. DUNNING: They would not advertise in the newpapers as my hon. friend suggests.

Mr. BENNETT: In the trade journals.

Mr. DUNNING: There would be notice there, and I can assure my hon. friend in the most positive terms that such a course will be followed whether this act is amended to provide for it or not. To use in the act language having the effect of calling for tenders might imply more than is intended. There is no intention to advertise generally, nor to ask for tenders from any concern which is known not to possess the facilities to enable it to build ships. I have no doubt at all that if any Canadian shipyard, which hon. gentlemen opposite believe might be able to build ships, is not given an opportunity to tender we shall hear about it. It is our intention to give to all Canadian yards that could possibly do the work a chance to tender.

My hon. friend spoke of German yards, and I may tell him—although he is not listening to me just now—that it is not our intention to call for tenders from continental ship builders. I made that clear the other evening. We do however intend to assess properly the differences between British prices and Canadian prices as submitted to us by shipyards in Canada who consider themselves capable of doing the work. But I must say that if a shipyard in Canada, which the officers of the merchant marine and those engaged in this business for us consider is not capable of producing ships, tenders at a lower price than others whom we know to be capable of doing the work, then we shall have to exercise our best judgment, just as any business concern does under similar circumstances. Of course, in such a case we shall have to take the responsibility for our position. I appreciate that fully.

I do want to impress upon my hon. friend that we intend to be fair in the matter. The language I used the other night was that it was our desire that as much of this work as possible should be done in Canada, having regard to all national considerations which ought properly to be taken into account in matters of this sort. Among those considerations I include the factor which has been mentioned as applying to steamship companies that find it necessary, in order to compete on the high seas, to buy their ships in the cheapest market. We must have regard to that factor and we cannot properly decide, on the one hand, between the work to be given to Canadian yards and Canadian workmen and, on the other, the necessity of which my hon. friend spoke, of being in a position to compete on the high seas, until we have before us comparative figures which can be secured only by tender from the British and the Canadian shipbuilders respectively, for each one of the ships in question and, as the Minister of Trade and Commerce points out to me, not only each ship but also, one, two, three, four and five from each yard. This is our intention with regard to the matter and I trust that my assurance will relieve my hon. friend's mind and obviate the necessity of moving an amendment, which it might be rather difficult to draft having regard to what it is necessary to do under the circumstances.

The CHAIRMAN (Mr. Power): Shall section 2 carry?

Mr. STEVENS: We have not passed section 1 yet, Mr. Chairman. We must not allow these little matters to go through so easily.

Mr. CANTLEY: The minister the other evening referred to a proposal to equip as oil burners two of the vessels now engaged in the West Indies trade.

Mr. DUNNING: Yes.

Mr. CANTLEY: I think the department is making a grave mistake. The cost of fuel oil has advanced greatly within the last two years, so much so that many ship owners who installed oil burning equipment in their boats are reverting now to coal. If the minister inquires he will find that the cost has gone up

largely, and this reversion to coal has taken place and is still occurring. If the boats were operating at points where it was difficult to obtain bunker coal there might be reason for incurring the additional expense. In the first place the expense of fitting up these boats as oil burners will be considerable. The costs of operation will be very much higher than they are to-day with coal. There is no difficulty in obtaining bunkers for they are readily available at any of the ports from which the initial voyage is made, either from Nova Scotia, New Brunswick, or on the St. Lawrence to the West Indies and vice versa. I should like the minister to take that point into consideration.

Mr. DUNNING: My hon. friend's observations in that regard will be given due weight. The proposals I submitted the other evening regarding conversion were proposals made by officers of the merchant marine. That however is a detail which I have not yet examined sufficiently to be able to say finally shall be carried out.

Mr. CANTLEY: I thank the minister for the explanation. The next point I want to refer to briefly is this. It has been the custom for these boats in the summer months when coming from the West Indies, instead of calling at Halifax or St. John, as they do in winter, to complete the voyage at Montreal. I rather consider that a mistake. At any rate, I would point out that these boats in the past have been in the habit of coming up the St. Lawrence too early in the season. That is to say, the first voyage up the St. Lawrence has been at a time when the weather and ice conditions are not favourable to passengers coming directly from the warm climate of the West Indies, and the result has been that in a number of cases personally known to me people who have come up the St. Lawrence through the drift ice have caught cold and been seriously ill, in some cases having to be taken to hospital immediately after arrival. If the boats are to come up the St. Lawrence in the summer months I want to urge on the minister the importance of deferring the first voyage, until at least all ice is out of the gulf. They should not come up as early as they have done in the past. If they continue to make the trip so early in the season our people will take an unfortunate view of that voyage from the West Indies. April is the period of the great migration from the West Indies of people who have been spending their winter there. In April and May the boats are crowded coming north; the same being true in the autumn months going south.

There is another and broader matter in connection with this whole question, and that is interference by government with private enterprise. I presume the minister has taken this point into consideration. Trade between the West Indies and Halifax and other maritime ports has been going on now for between a hundred and a hundred and fifty years, and many old established houses are thoroughly familiar with it. They have gone through all the vicissitudes of sail and steam, and know all that has transpired in the last seventy-five or hundred years or more in that trade. It seems rather a pity that these people should be called upon now practically to give up their business by competing with a company organized by this Dominion, with all the power, influence, resources and money of the government behind it. I was going to make a suggestion in this regard. One of the ministers a few nights ago, when the subject was under discussion, submitted certain figures as his estimate of the losses that would ensue from the operation of a line, running into about three-quarters of a million and diminishing to half a million later on. Supposing the government, instead of asking for tenders for the construction of the boats, should make an offer of a subsidy which they are prepared to pay, the subsidy being about the amount which they estimate their loss to be; we could see in that way whether or not offers would be received from steamship companies, either those already in the business or others disposed to take it up. Then we would be relieved from all anxiety in regard to the cost over and above any estimate of the officers of the department, because they are only estimates after all. Again I would refer to the unfairness of interfering in this way as we now propose to do, with private enterprise in view of the fact that these boats or the profits arising from them are not taxed when private enterprise is taxed; if the private company is fortunate enough to make some profit we take a portion of that away in taxes. The competition seems rather unfair, and I would suggest that an effort be made along the lines I have indicated or in some other way to try to discover if it is not possible to get a private company to take over this service rather than have the government embark on what is after all an entirely new and distinct business.

Mr. DUNNING: I would respectfully point out to my hon. friend that the suggestion he makes with regard to a further effort to get private enterprise to undertake this work is of course entirely contrary to the principle advanced by his colleague from West Calgary

(Mr. Bennett) in connection with another matter fully as important. May I say that at least two efforts have recently been made to get a tender covering the service contemplated by our treaty obligations, and as the Minister of Trade and Commerce (Mr. Malcolm) indicated the other evening, they met with no success. Now I understand my friend to say that having failed to get tenders from private companies we should ourselves figure out an offer which we can make the private steamship corporations as an inducement to undertake these services. I imagine that if I came into this House with any such proposal I should be subjected to attack, and I think properly so, by the hon. member for West Calgary, the ex-Minister of Finance, on the basis of the same principle which he enunciated so well a few minutes ago. Having failed to get even an offer for the western service with all our advertising in the trade journals in London and elsewhere, where it might be thought that those interested would at least be sure to know about the tenders, I do not think we could very well adopt this proposed scheme. We are following the present plan because we are convinced that it is the only way in which we can establish the service called for by the treaty. I think I dealt with my friend's other question, and I do not know that there is anything else I have not covered.

Mr. MALCOLM: I would like to make one observation. The hon. member for Pictou (Mr. Cantley) refers to the fact that this will initiate public competition against private capital, and he thinks it is not fair. The hon. member for West Calgary (Mr. Bennett) has already pointed out that private companies can buy their ships in the cheapest market while as a public enterprise we are denying ourselves that right. The cheapest market is continental Europe, and if we deny ourselves the privilege of buying there on the understanding that it is in the public interest to build these boats in Canada even at a greater price, surely private companies have at least the advantage of having the markets of the world open to them with lower initial costs.

I would like to make just one further reference to what the Minister of Railways (Mr. Dunning) has said. At the request of people who were interested in this service and who were most anxious that something further should be done, the matter was delayed and a further call for tenders was made, but without any offer of a private company to undertake the service to the western group of islands. We did have a tentative proposition of about $750,000 subsidy for both services from one proposed company, but they were not able to finance their plans and withdrew their offer on the second tender. We had reason to believe the suggested tender would stand, but it was withdrawn owing to the inability of this group to make the financial arrangements necessary. I can assure the hon. member for Pictou that with the government it was not a selection as between a private company and a government service but rather a matter of necessity to meet the terms of the treaty. Considerable dissatisfaction has been expressed in the West Indies as to lack of service, not since the last conference but because of the failure of the government to implement its agreements made at the conference of 1920, which I believe is known to every member of the House.

Mr. BENNETT: The minister mentioned building ships in Canada. Do I understand that that is the settled policy of the government?

Mr. MALCOLM: It is the intention to send invitations to tender on all five of these ships to all Canadian shipyards and to all British shipyards, because as was pointed out the other night in debate by the senior member for Halifax (Mr. Black), it is quite possible to lay down two boats of the same kind in one yard more economically than to build the two boats in separate yards, and the government will have to take cognizance of all the conditions surrounding the tenders before a decision is finally reached.

Mr. HEAPS: I would ask the minister if it is the intention of the government to ask for tenders in Great Britain for all the ships that are to be built?

Mr. MALCOLM: Yes.

Mr. HEAPS: Supposing there is a great difference between the price in Great Britain and that in Canada; is it the intention of the government to award all the ships to the one place?

Mr. MALCOLM: Was my hon. friend here the other evening?

Mr. HEAPS: Yes. I understood then that it was the intention to have three of the ships built in Canada. That is why I hardly think it fair to ask for tenders on all the ships in Great Britain.

Mr. DUNNING: I indicated that ratio of three and two the other evening as the basis of the financial calculations which I had to give the House. It was necessary to take some basis and naturally we weighed whether it should be all-British construction or all-

Canadian construction or whether it should be a part of each, and having regard to all the factors we could then see it was thought that the best basis of presenting the calculations to the House would be in the ratio of three and two. That does not mean that we will not call for tenders for all the ships in both Canada and Great Britain. As I indicated previously to-night, it will then become the duty of the management of the organization and finally of the government to decide what proportion shall be built in each country, having regard to all the considerations mentioned in the House during the discussion on the matter. I cannot speak more positively than that. Might I point out to my hon. friend that if we say here and now that these ships will all be built in Canada, in my opinion it would have a prejudicial effect upon the tenders; I think there is no doubt about that. We do intend to call for tenders in Great Britain on all the ships in order that we may have before us all the facts before we enter into any contract.

Mr. HEAPS: My little experience along this line has been that it is unfair to ask companies to tender when they know they will not get the business. I think it will militate against us at some future time.

Mr. DUNNING: I did not indicate that.

Mr. HEAPS: Then is there an understanding that a certain number of ships will be built in Canada?

Mr. DUNNING: There is not.

Mr. HEAPS: Is it possible that the five ships may be built abroad?

Mr. DUNNING: It certainly is.

Mr. MALCOLM: But not likely.

Mr. EVANS: According to the minister's remarks, we are entering upon a project which is most unbusinesslike and of very doubtful benefit to this country; in fact I think from the remarks of the Minister of Railways it cannot be expected to be a paying concern, since no private company would tender for the service. I really wonder why we have entered upon this project at all, seeing that it is an uneconomical thing from the very beginning. We are going to have a line of boats bringing in the products of the West Indies, entailing a very much longer haul than under the present service. I can remember that some years ago when the Minister of Railways was general manager of the coöperative elevators in Saskatchewan he was very emphatic that every part of the business should pay its way. Well, here we are entering upon a national scheme and the minister admits that it cannot pay its way. It is a foregone conclusion that the minister will have to come to this House and meet a deficit each year, or the New Brunswick potato grower and the Canadian consumer will have to be charged a freight rate or price that will pay for the service.

Mr. DUNNING: We cannot do it.

Mr. EVANS: Then we will have to meet a deficit every year.

Mr. DUNNING: Yes.

Mr. EVANS: Why in the world have we entered upon such a contract as this? What benefit will be derived from it?

Mr. CAMPBELL: I should just like to say that I realize that we have a trade to keep up with the West Indies and we can hardly ignore that even if we encounter a loss. But those of us in this section of the House have been protesting for many years against the large subsidy paid to a private company operating ships between the ports of Nova Scotia and the West Indies. We have complained of it because we saw no direct result from it, and because the company that had entered into the contract with the government, the company that was receiving large subsidies—amounting I believe to about $450,000 a year—was not living up to the contract. I believe that the proper type of ships was never supplied, and the ships were not equipped with proper facilities for handling the trade. I appreciate the fact that there will be a loss of business for some time, but that loss will probably be made up to us in many other ways. Why even the government itself is carried on at a loss if you look at it from a merely business standpoint; it makes no return from a monetary point of view for the expenditure made. There are many matters with respect to which we have to adopt that point of view. Most of us are married men with families to maintain. We can hardly say that marriage is a profitable investment, and I think that some of these matters must be regarded in the same light. What I am more concerned about is that the system or the principle of government ownership should get a fair trial. Because it seems to me that in the future, in the next quarter of a century in this country, the great political battle will not be between free traders and protectionists but will be between the advocates of public and private ownership. Perhaps my hon. friend from Rosetown (Mr. Evans) will not agree with me on that but that is how I regard the future.

Mr. MANION: The fight between free traders and protectionists ceased this afternoon. There are no more free traders except a few down in that corner.

Mr. CAMPBELL: I do not recognize any difference on the issue of free trade between the two old political parties. What I suggested to the minister a few evenings ago in connection with the construction of these ships was that if it were necessary to build them in Canada—and I expressed the hope that they would be built in Canada even at a higher cost—the difference in cost should be absorbed out of the treasury so that the extra capitalization would not be charged to these ships and tend to hinder the development of trade between maritime ports and the West Indies. I have no doubt that if these ships were to be built in Canada the Canadian companies would want to raise the price; but I think that could be gotten around because there should be some means of ascertaining the relative costs—the cost of construction in foreign countries, in Great Britain, and in Canada. I think when those figures were arrived at the government could very well allow that difference in cost to the Canadian manufacturers. If the tenders of the Canadian shipyards are excessive, give them to understand that unless their figures are reduced the contract for the construction of the ships would go to another country. But I think in any case the difference in cost should be absorbed out of the treasury.

Mr. CANTLEY: One of the gentlemen who has just spoken referred to the fact that public ownership does not get a fair show as against private enterprise. In a matter of this kind they get more than a fair show. As to that there can be no possible doubt. As far as the Canadian Government Merchant Marine is concerned I do not think anybody can say that it is operating under any disadvantage as compared with private ownership. I do not know of any, and I do not think any can be shown.

It is rather strange to hear members from the west getting up here and protesting more or less against this service. The fact of the matter is that ninety per cent of the flour consumed in the western islands and ninety-eight per cent of the flour consumed in the eastern islands is Canadian flour. Not only that, but large quantities of other products, agricultural products for example, are being shipped from Canada to the West Indies which would not go there if it were not for this service. These boats come up the St. Lawrence in summer, and they have a direct route from Montreal clear down to the West Indies. That is something they could not have under any other arrangement. There is a good deal of advantage in shipping by this route as against shipping by the American ports. I do not want to go into that feature of the matter again, but every man conversant with the trade knows what those advantages are.

In regard to the construction of the boats, the minister has convinced me that he has not any intention, or the government either, of going to the continent to have them built. I deny that ships built on the continent today are cheaper in the long run, working experience and necessary replacements considered, than boats which are built in this country. British owners have had some experience in that connection and those experiences are not likely to be repeated. If the Minister of Railways has any doubt as to the advisability of building these vessels in Canada, I think I can relieve him of those doubts. There will be competition, there is no doubt about that. There are four or five yards—there are two or three at least—who would be active competitors to-morrow for the building of the two capital ships. I take it that these ships are to be say 400 feet long and say 42 to 45 feet beam, or thereabouts. There are three yards, probably four in Canada, in which those two boats can be built. Let me point out again, as briefly as possible, the advantage which one yard would have in building the two boats. There are detailed drawings to get out, there are the moulds, templates and half a hundred other things, the cost of which is just split in two, determined by the fact of whether you are building two boats or one. If there were four boats to be built the cost would be cut in four instead of in two. As far as the three smaller boats are concerned they can be built in half a dozen places in Canada. I have no doubt there will be very active competition for them. I cannot tell how much greater the cost will be in Canada than in the old country; the minister can, but I presume some advantage would and should be given to Canada yards in competition with Great Britain.

Mr. DUNNING: Unquestionably.

Mr. CANTLEY: I thank the minister for that. That is all I want to say, except to emphasize the reference I have already made to those boats coming up the St. Lawrence too early in the season. The minister was kind enough to deal with the other matters I brought up, but he did not refer to that, and I would be glad if he would do so.

Mr. DUNNING: The matter of the boats entering the St. Lawrence, in the opinion of my hon. friend too early in the season, is one of management. The government does not interfere with that, but I will of course see to it that the views expresed by my hon. friend in that regard are communicated to the management, and I have no doubt they will be carefully considered. I should, however, like to ask my hon. friend a question with regard to his other suggestions as to the building of the boats. He speaks of the economy which could be secured by giving two boats or four boats to one yard. If he were in my place and tenders came in indicating that one Canadian yard had tendered the lowest in Canada for all five ships; that a substantial saving or a saving could be secured by giving all five ships or four or three of the five to one yard, would he regard that as good sound policy, or would he come here next year and criticize the government for proceeding along that line?

Mr. CANTLEY: The minister has misunderstood what I said. I had reference to two identical ships. What I said will apply only when they are identical, that is as regards detailed drawings, plans, estimating figures, moulds, templates, jigs and all that sort of thing. There are probably fifty items that apply to the two boats—not necessarily the whole five, because when you change from one size or type of ship to another you have to make new templates, et cetera.

Mr. DUNNING: My hon. friend does not clearly get my question. Regardless of the factors which he mentioned, if for any reason one Canadian yard is low for the whole five ships, or if, let us say, two Canadian yards are low, one for three ships and one for two, what is his judgment? Should we confine the building of these ships to those two yards?

Mr. CANTLEY: I do not see why not, but I am quite sure I would not give the five ships to any one yard.

Mr. STEVENS: Of course there is this to say in regard to that. My hon. friend is rather cute.

Mr. DUNNING: No.

Mr. STEVENS: These tenders, as we have been insisting, must be open tenders, so that all will have exactly the same deal, and we would like to have that safeguard inserted in the bill. It would not be fair for the minister to come here next year, having given all these ships or three of them to one yard, and having given that yard perhaps an opportunity of making a special tender on three ships, and say: I propounded this scheme to the House last year, and the House agreed. This all depends upon the conditions surrounding the granting of the contract to the one yard.

Mr. DUNNING: I can tell my hon. friend that exactly the same conditions will apply to all tenderers. That is the business practice of this government.

Mr. STEVENS: We are not so sure of that. I am not desirous of starting a row to-night; I would like to go through the rest of this day quietly and harmoniously, but I want the minister to understand that we are not children and we are not going to be fooled by very quiet and kind observations such as he has made. We might as well say this now: We warn him now that next year when this House meets, if a kind Providence spares us and the government does not dissolve in the meantime, if he lets all these contracts to one yard we shall scrutinize the job pretty closely no matter where it goes and we shall want to know the why and the wherefore.

Mr. DUNNING: I thought I might be successful in arousing the normal suspicions of my hon. friend.

Mr. STEVENS: My hon. friend has never allayed them. They have been there all the time.

Mr. DUNNING: I never hope to convince my hon. friend that any of us on this side of the House is even ordinarily honest.

Mr. STEVENS: My hon. friend seems to be looking for trouble to-night.

Mr. BENNETT: Methinks the lady doth protest too much.

Mr. DUNNING. I am merely appealing to the good business judgment of the remainder of the members of the committee who, I am sure, desire to be fair. They have heard the repeated statements of myself and the Minister of Trade and Commerce (Mr. Malcolm) with respect to the manner in which we intend to conduct this business. I am content to leave the matter to the judgment of the committee and to the record of Hansard, knowing fully that we shall be responsible for what we do. I do not hope ever to satisfy my hon. friend that any business we conduct is conducted honestly; but I am not concerned about that; I am concerned rather about the verdict of the whole House and particularly the verdict of the Canadian people.

Mr. STEVENS: Now the minister has succeeded in reading me out of all reasonable company and branding me as being utterly unreasonable and not capable of being persuaded of the honesty of anybody, particularly of himself, a judgment which he lays upon himself, but which I did not. What I was pointing out, what the hon. member for West Calgary (Mr. Bennett) pointed out a little while ago, was this. This bill is giving the government wide powers, and we would be derelict in our duty if we did not examine it very carefully in order to protect the rights of the people of this country. I do not care a snap of my fingers what the minister's opinion is. I purpose doing that. I am not going to be frightened or estopped by the minister insinuating that it is impossible to satisfy me. Let me tell him that there are in this chamber other members besides himself who have known me during the sixteen years that I have been in parliament, who probably will not wholly agree with him if he will go out into the lobby and talk to them. Indulgence in that sort of thing is not going to advance his interests or the government's interests or the harmony of the House. As a matter of fact we have been treating the minister with a considerable degree of courtesy this session while he, on the other hand, has been rather provocative at times.

Mr. BENNETT: That is his normal condition.

Mr. STEVENS: A few things were said tonight which I resented very much, but I kept silent. As we go through this bill we will give it just a little close scrutiny.

Mr. DUNNING: The record in Hansard of his observations will speak for itself with regard to insinuation; the record of mine will speak for itself with regard to provocation. I say with all respect to my hon. friend that his attitude towards the government and towards me in connection with this matter from the commencement has been, in my judgment—I may be wrong, and if I am doing him an injustice, I regret it—one of insinuation as to the sincerity of the motives which actuated the government in dealing with the matter of building these ships. My hon. friend need only read his observations of the other night. I have no desire, as he would intimate, to brow-beat him in any way or to treat him discourteously. But if we are to be subject all the time to the threat from himself and from some few others that if a minister sees fit to resent aspersions upon his common honesty his measures are going to be blocked, I can only say in all fairness to my hon. friend that, like himself, I am inclined to scrap when that sort of thing happens. I say this to him in all good humour. My time will be spent here just as his will, but there is a limit to what either of us will stand from the other in that regard. From him I feel it is insinuation all the time. He thinks from me it is provocation all the time. I am quite content, if he is, to let the matter rest there. I have no intention of insulting him at any time. I have not consciously done so, and I will not do so in the future. But I do not intend, and I do not think either the rules or the amenities of this House compel a minister to sit silently all the time while impressions are being created to be scattered by the press across this country that he is not going to handle properly the business which he has sworn to handle with common, decent honesty. I resent that whether it comes from my hon. friend or any one else. I have no complaint in that regard with respect to anybody on that side of the House except my hon. friend.

Mr. STEVENS: Keep rubbing it in.

Mr. DUNNING: My hon. friend asked me for it and I gave it to him, not in a spirit of pique but in good humour. I say that is the way we feel about it. Now we are square.

Mr. STEVENS: No. The minister says I insinuated and intimated certain things. I did nothing of the kind. The other night I drew the attention of the House to the fact that a shipyard in Montreal had been transferred to two gentlemen whom I named, according to the public report, Senators Raymond and McDougald. I made the statement on the floor of the House and made no insinuation. I simply said it was a remarkable synchronization with the contracts authorised in this bill. I asked the minister, before we had the bill and before we had an opportunity to study it, if there was any significance in that fact. I did not go behind the company and did not go outside to make any declaration. The minister recognised that in his cross-examination of the hon. member for Pictou. He was asking a hypothetical question; suppose we let all the ships to one yard, and suppose the figures were below those of the other tenderers, would my hon. friend criticize the government for letting them to one yard? I intimated to him and reiterate now that that looked like providing in advance for a possible happening. He may call it insinuation or suspicion or whatever he likes, but I am giving him the information that these contracts will be scrutinized.

Mr. DUNNING: Quite right.

Mr. STEVENS: And I claim the right to scrutinize them.

Mr. DUNNING: Quite right.

Mr. STEVENS: And it paid this country to scrutinize the Petersen contract and other matters. The minister knows perfectly well that the government is frequently subjected to pressure that is very difficult to resist. No one is impugning his personal honesty, but while he may desire to go along a certain path it may be difficult to resist the pressure. One of the uses of an opposition is to keep the government on the straight and narrow path. Very often the government will say to importunate followers, "We will have difficulty in getting through with this in the House." I am fortifying the minister with some propositions which might help him to resist the importunities of his friends.

Mr. BENNETT: I think the observation of the minister that criticism of a public measure made by the opposition in the House involves a criticism of the minister in charge, is not well founded.

Mr. DUNNING: I did not intend that.

Mr. BENNETT: I do not think he intended to state it in those terms, but it was open to no other construction. He spoke about his common honesty and decency. Surely no gentleman charged with the responsibility of a minister in the House of Commons of Canada would for a moment assert that criticism of a measure by His Majesty's opposition in any sense involves a reflection on the personal honesty of the minister in charge, whether it be common honesty or decency or otherwise. I am sure the minister will agree with that. There is reason why the opposition should criticize legislation introduced by the government in the form of proposed statutes. Does the minister recall that in the income tax measure brought into the House within the last fifteen months there was a retroactive provision that quietly disappeared? Does he realize that we are not all fools, and that if we are to make it our business to investigate and criticize business introduced by the minister we are doing it in the public interest? Is the assertion that those who sit to the left of the Speaker, and spend their time night and day in studying legislation from an intelligent standpoint, should be held to be casting reflections on the minister when they criticize such legislation when it is being considered by the House? The reason that the gentlemen sitting to the left of the Speaker discuss proposed legislation is that it is their duty to do so in the public interest, just as the Liberal party similarly situated would do. As my hon. friend from Vancouver Centre has properly pointed out, in this country and in every country where democratic conditions prevail that is the course to be pursued. In Pennsylvania last fall, in Ohio and in Illinois, conditions prevailed with respect to elections, and those conditions prevail not only in United States but in other countries. They have prevailed in this country, and reflections such as those made by my hon. friend with respect to those who in the public interest criticize legislation of this character are not well made. I feel sure that in the heat of the moment the minister made his statement a little stronger than he meant to make it. His observations meant only one thing; that criticism of the minister's proposals means distrust and allegations of dishonesty against such minister.

Mr. DUNNING: No.

Mr. BENNETT: I do not think the minister intended it, but as he stated it, it is open only to that construction.

Mr. DUNNING: No, it was not intended in that way. Following assurances made by me and repeated by the Minister of Trade and Commerce that tenders would be called, my hon. friend from Vancouver Centre intimates that I am creating in advance an alibi for what he says is an endeavour to put through a contract as a special favour. I consider that if I did that it would be dishonest on my part as a minister. If in calling for public tenders I permitted some of my officers to give information as to what others were bidding it would be dishonest on my part, and I resent the suggestion.

Mr. BENNETT: I am glad to hear the statement by my hon. friend, and I think he means it. Those of us who are familiar with the history of Canada will know that that is just what was done in connection with the alienation of a considerable part of our western Canadian resources.

Mr. DUNNING: I do not think there is a man on this side or on the opposite side of the House who would be guilty of doing what the hon. gentleman suggested I was doing.

Mr. BENNETT: The Solicitor General apparently wants to say something.

Mr. CANNON: We are discussing a shipbuilding proposition, and perhaps that is why we are allowed to go adrift.

Mr. BENNETT: My hon. friend misapprehended the point about the criticism. He does not call for tenders under this bill, it is the company that does it, and unfortunately the saying of "yes" or "no" to the tenders rests with that company and not with the government, except to voice approval or disapproval if the sum is over $500,000. Therefore they can make their contract and send it to the government, with a report which may or may not be founded on fact, and the government acts upon that report.

Mr. MALCOLM: No, the Canadian National would call for tenders. The allocation of the tender and the matter of where the ships shall be built will rest with the government.

Mr. BENNETT: That is not what the bill says.

Mr. MALCOLM: I admit that.

Mr. STEVENS: That is our quarrel with the bill.

Mr. HEAPS: The question of tender has been overcome by having sealed tenders put in, and having the tenders opened in public. The tenders are not opened until the public can be present. If there is any difficulty in regard to the form of these tenders, my suggestion is that they be called for and that they be opened in public.

Section agreed to.

Sections 2 and 3 agreed to.

On section 4—Nature and form of securities to be approved by Governor in Council.

Mr. BENNETT: The point that I desire to make is that these securities should not be sold except by competitive bids. The Minister of Trade and Commerce, who is a business man in eastern Canada, knows how easy it is for bond houses and others to get what in the vernacular is called "a lead pipe cinch" on the sale of these securities, and I think the time has come when we should provide that these securities shall be subject to competitive bids. That, I think, the minister will agree is not an unsound suggestion.

Mr. DUNNING: This is a standard clause that I am endeavouring to work into all bills relating to Canadian National finance, with the objective of giving to the Minister of Finance a measure of control over the disposition of the securities. The Minister of Finance is not here at the moment, but I know his views are in the direction outlined by my hon. friend. I should not like, however, to tie him down positively in a statute without consulting him.

[Mr. Cannon.]

Mr. BENNETT: You will not take the bill out of committee?

Mr. DUNNING: No, but I am doubtful as to whether in a statute relating to the sale of securities you should under all circumstances be compelled to call for tenders.

Mr. BENNETT: I did not say tenders, but competitive bids. There is a distinction.

Mr. DUNNING: That might help out, I might say that during ten years experience as provincial treasurer I never sold an issue of provincial bonds otherwise than by public tender; by that I mean invitations issued to all the bond houses who might be expected to bid. I must confess that I had a number of experiences which led me to the conclusion that such a course was not always in the best interests of the body borrowing the money. My hon. friend I know is familiar with such conditions. While agreeing with the general principle, I would hesitate to put in the bill something which would make it impossible to deal with the securities otherwise than in the manner therein set out.

Mr. BENNETT: I quite appreciate the minister's point, but if you say "Such securities shall be sold only by competitive bids," you have met the difficulty. I do not think you should take the bill out of committee entirely, for when we come to section 8, I am going to say that I think $500,000 is entirely too large a sum, if you mean it in that sense.

Mr. DUNNING: We will come to that. We will carry this section and leave the bill in committee so that I can discuss the matter with the Minister of Finance.

Section agreed to.

Sections 5 to 7 inclusive agreed to.

On section 8—Powers of company to construct, purchase or refit boats.

Mr. STEVENS: I notice the company is being empowered either to contract for the construction of ships, or to purchase, charter or otherwise acquire the boats. Is it in contemplation at all to purchase boats for this service?

Mr. DUNNING: We may have to purchase a 1,000 ton boat for the Trinidad-Jamaica service.

Mr. STEVENS: Is there one in sight?

Mr. DUNNING: No. I know of no arrangement having been made as yet.

Mr. STEVENS: That would be one of the five?

Mr. DUNNING: No, that is a small extra boat.

Mr. STEVENS: In regard to this $500,000, my hon. friend from West Calgary has intimated that he thinks that too large a sum. I have the same opinion. It says:

All contracts or agreements involving an expenditure in excess of $500,000 shall be subject to the approval of the governor in council.

I do not know by what reasoning $500,000 was fixed upon. It strikes me as altogether too large a sum. I do not know what the dimensions of these smaller ships will be, and I do not know what they will cost, but it is quite within the realm of possibility that they may come within this $500,000.

Mr. DUNNING: That figure was set with the idea of having all shipbuilding contracts approved by the government. The one possible exception might be the small 1,000 ton boat.

Mr. STEVENS: Why not place it at $100,000?

Mr. DUNNING: I have no objection to cutting down the amount, except that if it is cut down to too small a figure it will necessarily increase what I might call the political control over the management of the company; that is, the Canadian National board of directors and management are, of course, handling contracts and agreements of all sorts—

Mr. BENNETT: The Board of Directors does not do much.

Mr. DUNNING: The management, in any event, and it is just a question of arriving at a figure which will maintain the principle of the government passing upon and being responsible for all the shipbuilding contracts. I am inclined to think that $500,000 will not be too large a sum for any of the ships, with the possible exception of the 1,000-ton ship.

Mr. STEVENS: I would suggest that this clause stand and be the clause that will keep the bill in committee.

Mr. DUNNING: Very well, and I shall be glad to hear any suggestions from my hon. friend in that regard.

Mr. STEVENS: In the interim I would ask the minister to consider cutting this amount down to $100,000. His idea is that the company shall have a free hand in ordinary business?

Mr. DUNNING: That is it.

Mr. STEVENS: I would say that $100,000 would amply cover ordinary business contracts.

Mr. DUNNING: Not in the shipping business. However, I will make inquiries.

Mr. STEVENS: About all you would have that would come above that figure might be a large contract for fuel, which would be a contract once a year or something of that kind. Perhaps major repairs might run above that figure, but they would have to be very extensive repairs.

Mr. MALCOLM: I think my hon. friend is sufficiently acquainted with the operation of boats to realize that there is not going to be any boat purchased for this service for less than $500,000.

Mr. STEVENS: I would expect that to be the minimum.

Mr. MALCOLM: There might be fuel contracts and many outfitting contracts that would exceed $100,000. Personally I would not mind the amount being reduced, but if it were reduced below a quarter of a million dollars it would be getting into the realm of small business.

Mr. STEVENS: We will let the section stand and think it over.

Section stands.

Sections 9 and 10 agreed to.

Progress reported.

CUSTOMS ACT AMENDMENT

Hon. W. D. EULER (Minister of Customs and Excise) moved that the House go into committee to consider the followig proposed resolution:

Resolved, that it is expedient to amend the Customs Act, chapter 48 of the revised statutes, 1906, and to make further provisions for a more adequate enforcement of the act and the prevention of smuggling operations.

Mr. GARDINER: Explain.

Mr. EULER: This resolution precedes a bill to amend the Customs Act and is similar to the bill which was passed a few days ago amending the Excise Act. Briefly, the important provisions of this measure are these. One of them aims at clearing up in connection with the administration of the act, certain departmental difficulties which have been experienced in the last year or so. There is an extension of penalties for offences under the act, and power is given to customs officials to arrest without a warrant. This is in accordance with a recommendation of the parliamentary committee of last year. The bill also provides that importation shall be

considered complete when a vessel arrives within the three-mile limit. Finally, there is a change in regard to in transitu shipments of liquor. In future, shipments of liquor brought in in transitu shall be required to give a bond in double duty which will be released only upon production of landing certificates. These are the chief provisions of the bill.

Resolution reported, read the second time and concurred in. Mr. Euler thereupon moved for leave to introduce Bill No. 172, to amend the Customs Act.

Motion agreed to and bill read the first time.

WAYS AND MEANS

SUPPLY BILL

The House resumed from March 15 consideration in committee of Bill No. 151, for granting to His Majesty a certain sum of money for the public service of the financial year ending March 31, 1927—Mr. Robb—Mr. Johnston in the chair.

On section 2—$575,204.22 granted for 1926-27.

Mr. BENNETT: There were two items in this bill for which explanations were asked, one in relation to a vote for $15,000 in connection with the Northwest Territories, and the other respecting certain gold claims of one McIver. The word purchase was used instead of sale, and that caused the difficulty. The explanation has been given by the minister.

Mr. ROBB: Is my hon. friend satisfied with the information given?

Mr. BENNETT: Yes.

Section agreed to.

Bill reported, read the third time and passed.

On motion of Mr. Robb the House adjourned at 11 p.m.

Friday, March 18, 1927

The House met at three o'clock.

REPORT

Third report of the select standing committee on railways, canals and telegraph lines —Mr. Young (Saskatoon).

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL COMPANY

Mr. A. M. EDWARDS (South Waterloo): Mr. Speaker, I have the honour to present to the House a resolution passed by the Galt city council, also another resolution passed by the village council of Ayr, Ontario, protesting against renewal of the charter to the Montreal, Ottawa and Georgian Bay Canal Company, known as Bill No. 78.

Mr. F. W. HAY (North Perth): Mr. Speaker, I desire to present a petition from the city council of Stratford, Ontario, with reference to Bill No. 78.

Mr. CLARK: What is the purport of the petition?

Mr. S. C. ROBINSON (West Essex): Mr. Speaker, I have the honour to place on the table a resolution from the town council of Sandwich protesting against granting a renewal of the charter to the Georgian Bay Canal Company.

Mr. SPEAKER: I think it well to point out to the hon. members that the regular procedure to bring these protests before the House is by way of petition, and not by way of resolutions passed by municipal councils.

STERLING TRUSTS CORPORATION

On the order Introduction of Bills: Bill respecting the Sterling Trusts Corporation—Mr. Boys.

Mr. SPEAKER: Dropped.

PRIVATE BILLS

FIRST READINGS

Bill No. 155 (from the Senate), respecting Commercial Travellers Mutual Insurance Society.—Mr. Anderson (Toronto-High Park).

Bill No. 156 (from the Senate), for the relief of Dorothy Helen Murray.—Mr. Spence (Parkdale).

Bill No. 157 (from the Senate), for the relief of Lotta Maria McGregor.—Mr. Spence (Parkdale).

Bill No. 158 (from the Senate), for the relief of Harriett Louisa May MacCarthy.—Mr. Garland (Carleton).

Bill No. 159 (from the Senate), for the relief of Adelaide Mildred Maguire.—Mr. Geary.

Bill No. 160 (from the Senate), for the relief of Dmytro Pushkedra.—Mr. Luchkovich.

Bill No. 161 (from the Senate), for the relief of Muriel Helen Louise Dunn.—Mr. Casselman.

Bill No. 162 (from the Senate), for the relief of William Henry Poultney.—Mr. Church.

Bill No. 163 (from the Senate), for the relief of Cecil Chester Richardson.—Mr. Arthurs.

Bill No. 164 (from the Senate), for the relief of Bertha Amelia Bertelet.—Mr. Hocken.

Bill No. 165 (from the Senate), for the relief of James Edward Barnaby.—Mr. Garland (Carleton).

Bill No. 166 (from the Senate), for the relief of Evelyn May Bateman.—Mr. Edwards (Ottawa).

Bill No. 167 (from the Senate), for the relief of Fannie Louise Dance.—Mr. Jacobs.

Bill No. 168 (from the Senate), for the relief of Sarah Simpson.—Mr. Jacobs.

Bill No. 169 (from the Senate), for the relief of Percy Compton.—Mr. Anderson (Toronto-High Park).

Bill No. 170 (from the Senate), for the relief of Hazel Green Anderson.—Mr. McMillan.

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, would there be any objection to giving these bills second reading now? It would advance them to the committee stage.

Mr. SPEAKER: I am in the hands of the House.

Mr. LAPOINTE: No objection.

Mr. SPEAKER: Then I will take a motion covering all the bills. Is that satisfactory?

CRIMINAL CODE AMENDMENT—POSSESSION OF WEAPONS

On the order for the first reading of Bill No. 173 (from the Senate) to amend certain provisions of the Criminal Code respecting the possession of weapons:

Mr. SPEAKER: There is no mover.

Mr. ARTHURS: The mover should be nominated on the order paper.

Mr. SPEAKER: I understand that the hon. member for Bonaventure (Mr. Marcil) is prepared to move the first reading of the bill.

Mr. MARCIL: This is a Senate bill, I move that it be read a first time.

Motion agreed to and bill read the first time.

MOTION FOR SECOND READINGS

Mr. SPEAKER: When shall these bills be read the second time?

Mr. ARTHURS: We object seriously to the inclusion of the last bill.

Mr. SPEAKER: Very well; the others.

An hon. MEMBER: And the first.

Mr. SPEAKER: With the exception of the first and the last of these bills, it is moved by Mr. Edwards (Frontenac) seconded by Mr. Arthurs that bills 156, 157, 158, 159 160, 161, 162, 163, 164, 165, 166, 167, 168, 169 and 170 be now read the second time.

Sir GEORGE PERLEY: I am not rising to object to this motion at all, but I want to call attention to the fact that there are a good many bills of a similar naure on the order paper, where they have stood for days for second reading, and it seems to me that if we are to dispose of these bills in the way proposed it will place them a stage ahead of the others. I submit that all these divorce bills should be treated in the same way, sent to the committee, and taken off the order paper, just as it is proposed to do in this case.

Mr. MACKENZIE KING: I suggest that probably a more expeditious way would be to conclude the debate on the Georgian bay canal and get that bill across to the committee as speedily as possible. We could then dispose of all these others in rapid succession. However, the government will be prepared to consider my hon. friend's suggestion.

Mr. MARCIL: I object to the suggestion of the hon. member for Argenteuil (Sir George Perley). I have a bill on the order paper coming immediately after the Georgian bay bill, and if these divorce cases are to be advanced a stage I do not want my bill left behind. It is well for the House to remember that these divorces are a plague and that over 600 divorces were granted in Canada in 1926, according to the statistics.

Mr. SPEAKER: Are there any objections? The motion can be entertained only by unanimous consent.

Some hon. MEMBERS: Yes.

Some hon. MEMBERS: No.

Mr. SPEAKER: The motion for second reading of these bills stands until the next sitting of the House.

MARITIME CLAIMS

STATEMENT OF POLICY BY PRIME MINISTER

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING: (Prime Minister): I said yesterday that I hoped to be able on the orders of the day to-day to make a statement on behalf of the

government arising out of the report of the Royal Commission on Maritime Claims. I am happy to be able to make that statement this afternoon. As I shall have occasion in the statement to refer to the exact text of the commission I hope hon. members will pardon me if I take the liberty of making free use of the statement I have in my hand.

The Royal Commission on Maritime Claims was appointed on April 7, 1926. The commission submitted its report to the Honourable the Secretary of State on September 23, 1926. As respects its subject matter and recommendations, the report is subdivided as follows:

I. Money Grants to Provinces.
II. Transportation and Freight Rates.
III. Port Development and Export Trade.
IV. Trade Policy—Forest Produce, Fisheries, Coal and Steel.
V. Agriculture and Migration.
VI. New Brunswick Railways.
VII. General.

There are, in addition, a few paragraphs by way of introduction and conclusion.

The recommendations of the report may be briefly summarized as follows:

Under the heading—I. Money Grants to Provinces.

It is recommended "that the Dominion government should give immediate consideration to the whole of this subject, with a view to a complete revision of the financial arrangements between them and the maritime provinces."

and

"that immediate interim lump-sum increases should be made in the payments to the three maritime provinces as follows:

Nova Scotia..	$ 875,000
New Brunswick..	600,000
Prince Edward Island..	125,000"

and that

"These interim payments should be continued until the Dominion government has had time to complete its investigation and re-assessment."

Under the heading—II. Transportation and Freight Rates.

It is recommended "that an immediate reduction of 20 per cent be made on all rates charged on traffic which both originates and terminates at stations in the Atlantic division of the Canadian National Railways—including export and import traffic, by sea, from and to that division,—and that the same reduction be also applied to the Atlantic division proportion of the through rates on all traffic which originates at stations in the Atlantic division —excluding import traffic by sea—and is destined to points outside the Atlantic division." For this purpose the divisional points on the Atlantic division are to be Diamond Junction and Levis.

It is further recommended, with respect to the policy of the railway companies—as interpreted in the rate structure—"that the railway board should be vested with somewhat fuller supervisory responsibility," . . . . . "in its relation to the natural basic products of the country, and the development of these products and associated enterprises," and vested also "with power to order an accounting investigation at their own hand, into the incidence of the railway charge on the costs of production of the commodity, and its relationship to other costs, and to the general trading results of the interest involved";

Also, that the matter of the system under which flat percentage increases—known as horizontal increases"—were added to railway rates,—in other words, the "incidence of 'horizontal' war increases"—should be taken into fresh consideration by the railway commission, and that they "should be free to consider the whole question on its merits."

Referring to transportation for Prince Edward Island and the needed railway service improvements, it is recommended "that the railway administration should be asked to make a survey of what is required" and "that the department should make capital provision for the improvements to be undertaken within the shortest possible time;" and, referring to the need for improved ferry boat service, "that the matter be gone into from the point of view of placing at the disposal of the island such satisfactory means of communication as will ensure as regular and complete a service as can reasonably be made," and further "that, so far as the ferry boat service is concerned, it should not be run as part of the railway operations, but should be run by the railway administration under separate account for the department."

Under the heading—III—Port development and export trade—referring to Halifax and St. John; it is recommended "that, in respect of each of these two harbours, the federal government should establish a statutory harbour commission, whose business it would be to see that the port facilities are developed on such a scale as will gradually—but by no means slowly—create channels through which trade can expand both winter and summer."

Referring to harbour facilities in Prince Edward Island, it is recommended, "that the

Public Works department make an immediate survey of these harbours, particularly as to wharfage and storage accommodation, with a view to adequate provision being made to meet the needs of the island's produce."

Under the heading—IV—Trade policy—forest produce, fisheries, coal and steel—with particular reference to "a mutual trade treaty" for forest products and fish, it is recommended: "that the Dominion government should apply its mind to the proposition in the light of maritime province interests, and having regard also to the position of other provinces concerned with these same products, and to Dominion interests generally."

Referring to coking plants, it is recommended: "that immediate practical steps be taken by the federal authorities in regard to the question of coking plants."

Referring to customs tariff on coal, it is recommended: "that the Tariff Advisory Board should be asked to give immediate consideration to the subject."

Referring to bounties, it is recommended: "that a bonus should be given in respect of steel when Canadian coal is used in its manufacture, and that the bonus should be calculated on the basis of the present drawback for every ton of coal used in such manufacture."

Under the heading—V—Agriculture and migration—with reference to the need of closer coöperation between the federal and provincial governments on the question of maritime province colonization, it is recommended, "that the federal authorities should take the matter up with the governments of the three provinces, with a view to a plan being devised for much more active advertisement abroad of the attractions and advantages of the maritime provinces."

Under the heading—VI—New Brunswick railways—referring to the St. John and Quebec railway, it is recommended: "that the government should, with the concurrence of the province, set up an ad hoc tribunal to enquire into the circumstances surrounding this matter, with power, if they are satisfied that the circumstances justify it, to arrange terms and conditions on which the railway should be taken over by the government."

Referring to the Kent Northern railway, it is stated that representations were made to the commission that "the present was an appropriate time to reopen negotiations" looking to its "acquisition at a price of $60,000" and it is recommended: "that this be done."

Under the heading—VII General—with respect to fisheries organization, after mentioning that a suggestion had been made that there should be a separate branch in the Department of Marine and Fisheries with a Deputy Minister of Fisheries at its head, "whose duties would be confined to that section of the department, and who would therefore be freer to keep in close personal touch with its problems by periodical visits to the fishery areas", the commission states that it recommends "accordingly".

After referring to a conflict of view on the question of closed seasons and conservation, particularly in regard to lobster fishing and on the question also of replanting oyster beds, the commission recommends that: "the deputy minister should take the whole subject into immediate consideration and that after consulting with scientists, fishermen and fish merchants, appropriate and definite regulations should be framed".

The commission recommends, "that the geological department undertake, as soon as possible, a more detailed survey of New Brunswick, and an exhaustive survey of Prince Edward Island for the purposes of re-mapping this province, of investigating its mineral deposits and materials for roadmaking and of examining the possibilities of its clay resources."

With respect to Prince Edward Island, where there are no large industries which would justify the establishment of an institution for technical education, the commission cites the suggestion that the technical education legislation should be given a broad application in their case, and that agricultural education should be deemed to be covered by the term "technical education". The commission recommends "this suggestion to the favourable notice of the department."

Finally the commission mentions that at their request, the Bureau of Statistics had prepared a special memorandum giving the more important statistics of social and economic progress in the maritime provinces since confederation and recommends "the immediate publication of this memorandum".

This concludes the enumeration of the recommendations made by the commission. There are scattered throughout the pages of the report many observations upon conditions in the maritime provinces as well as suggestions, expressions of view and of feeling on the part of the commissioners, as for example: "We feel that a more active and vigorous commercial policy should be developed and that much wider scope should be given to the functions and activities of trade commissioners." The government is prepared carefully to consider whatever the commission has set forth in this manner. With respect to the recommendations themselves, it may serve to

bring the proposed action of the government into clearer relief if, in presenting to parliament the statement of the government's attitude with reference thereto, I reverse the order of presentation adopted by the commission and first take up the miscellaneous recommendations which find their place at the end of the report, and proceed therefrom to the far-reaching recommendations which are to be found in earlier subdivisions.

Commencing, then, with the last mentioned recommendation, namely, the immediate publication of a special memorandum giving statistics of social and economc progress in the maritime provinces since confederation, I would say that the memorandum is already in type, and that such number of copies will be published as the House may direct.

The government accepts the recommendation made with reference to Prince Edward Island, that, inasmuch as there are no large industries in Price Edward Island which would justify the establishment of an institution for technical education and as agriculture is their principal interest, technical education legislation should be given a broad application, and that agricultural education should be deemed to be covered by the term "technical education," and action is being taken accordingly.

The more detailed survey of New Brunswick and an exhaustive survey of Prince Edward Island which it is recommended the Geological department should undertake is being carried out.

The commission's recommendation with respect to the appointment of a deputy minister whose duties will be confined to what at present constitutes the fisheries section of the Department of Marine and Fisheries will be carried out.

With respect to the commission's recommendations concerning the possible acquisition of the St. John and Quebec railway, and the Kent Northern railway, the government is of the opinion that the matters referred to are, in some particulars, incidental to the larger transportation problems of which mention is made in the report and to which the attention of parliament will be invited at the present session, and that the situation with respect to these railways will in no wise be prejudiced if the course recommended by the commission is permitted to await a knowledge of the probable effect of the adoption of such legislation as may be enacted with respect to maritime railways generally.

The recommendation of the commission, with respect to closer coöperation between the federal and provincial governments on the question of maritime province colonization, accords with the policy of the government as repeatedly set forth. The federal authorities will cordially welcome that larger measure of coöperation on the part of the provinces which the commission's report recognizes as both desirable and necessary.

With reference to the natural basic products of the maritime provinces, namely, agriculture, fish, timber and coal, the government shares the view expressed by the commission that aspects that arise from the character of these natural basic products of the maritime provinces "lie at the very foundation of the economic prosperity of these provinces," and that, as respects these subject matters, "no greater dis-service could be done than to evade deliberate decision."

As respects the specific recommendation that the Dominion government should apply its mind to the proposition of a mutual trade treaty for forest products and fish, it may be pointed out that reciprocal trade treaties in natural products are, and have been for many years, a part of Liberal trade policy. The attempt of a great Nova Scotian in 1911 to remedy the situation by a reciprocity treaty did not, in our opinion, meet with the support it should have from the maritimes. We believe that to the defeat of the proposed reciprocal trade agreement, more than to all other factors combined, may be traced the causes of existing economic depression in the maritime provinces. Our policy remains one of seeking to advance, as opportunity affords, mutual trade agreement in natural products.

A declaration of our readiness and our willingness to make an arrangement with the United States whenever they are ready to meet us on fair terms, will be found in the following clause which, at the instance of Mr. Fielding, the then Minister of Finance, was inserted in 1923 in our tariff laws:

> The Governor in Council may authorize any minister of the crown to enter into negotiations with any authorized representative of the government of the United States with a view to the making of a commercial agreement between the two countries on terms that may be deemed mutually beneficial. Any agreement so made shall be subject to the approval of the parliament of Canada.

This is a general indication of our willingness to make a commercial treaty with our neighbours. If favourably entertained, some time would have to elapse before an agreement could be made and brought into effect. It would require action by the United States congress as well as by the Canadian parliament. Under the present law of the United States there is a privilege granted to the President of the United States to make certain reductions of duties if he likes to do so.

He may do that without waiting for congress. As an intimation to the president that if he is prepared to exercise the power which congress has given to him by way of reduction, we are prepared to meet him on similar terms. Mr. Fielding proposed in 1923, the insertion of the following clause in our tariff law, which clause is in effect to-day:

If the President of the United States, under authority of the United States' Tariff Act of 1922, determines to reduce by fifty per cent the duties imposed by such act on the following articles, that is to say:

Cattle, wheat, wheat flour, oats, barley, potatoes, onions, turnips, hay, fish, as enumerated in paragraphs 717, 718, 719, and 720 of the said Tariff Act of 1920.

the Governor in Council may, by order in council, make such reductions of duties on similar articles imported into Canada from the United States as may be deemed reasonable by way of compensation for such reductions of duties on Canadian products imported into the United States.

The appointment of a minister to Washington is a step which it is believed will be helpful, as opportunity offers, in the negotiation with our neighbours of trade treaties of mutual interest and advantage.

With regard to the question of coking plants, the commission's recommendation that immediate practical steps be taken, has been accepted and a bill will be introduced at the present session of parliament respecting the establishment of coking plants at convenient centres in Canada under government assistance, along lines approved by the special committee of the House of Commons, which dealt with the fuel question last year.

The recommendation of the commission that the Tariff Advisory Board should be asked to give immediate consideration to the customs tariff in its relation to coal, anthracite and coke has been met. The matter is now before the Tariff Advisory Board. It would appear desirable at this point to recall that at the session of 1925, as a means of assisting coal production in the maritimes, the customs duty on slack coal was raised from 13 cents to 50 cents. The question of protection on the primary products of iron and steel was, as stated in the report, under the consideration of the Tariff Advisory Board at the time of the commission's investigation. Owing to the existing uncertainty of conditions surrounding the iron and steel industry in the maritimes, the government does not feel in a position to make at present any pronouncement with respect to the commission's recommendation of a renewal of the system of granting bounties with respect to steel when Canadian coal is used in its manufacture.

The government is prepared to accept the recommendations of the commission concerning the establishment of harbour commissions for the harbours of Halifax and St. John and bills with reference thereto will be introduced at the present session.

In connection with port development and the development of trade through Canadian ports, it might here be mentioned that within the past year increased loading accommodation has been provided for the elevator at Halifax; also that the bill "respecting the Canadian National Steamships and to provide for the establishment of a West Indies service," at present before parliament, will have an important bearing upon port development and trade of the maritime provinces. Mention should also be made of the enactment of 1923 whereby a discount of 10 per cent of the existing customs duty in addition to the preference rate is allowed on goods entitled to the benefit of the British preference when shipped via Canadian ports, and of the enactment of last year which restricts the advantages to be derived from the British preference to commodities entering Canada via Canadian ports.

In regard to harbour facilities in Prince Edward Island, it should be stated that the Department of Public Works had begun a survey of the harbours of Charlottetown, Georgetown and Summerside, particularly as to wharfage and storage accommodation, prior to the date on which the commission presented its report. In this particular the commission's recommendation has, therefore, already been acted upon in part. The survey will be continued, in as far as may be necessary fully to comply with the commission's recommendation.

I come now to the important subject of transportation and freight rates and to the far-reaching recommendations of the commission "that an immediate reduction of 20 per cent be made on all rates charged on traffic which both originates and terminates at stations in the Atlantic division of the Canadian National Railways—including export and import traffic by sea from and to that division—and that the same reduction be also applied to the Atlantic division proportion of the through rates on all traffic which originates at stations on the Atlantic division—excluding import traffic by sea—and is destined to points outside the Atlantic division."

Subject to certain modifications, which may appear to be necessary respecting international rates and through import rates by sea, a bill will be introduced at the present session giving effect to this recommendation.

With respect to the recommendation "that the railway board should be vested with somewhat fuller supervisory powers," it is felt that, if accepted, this recommendation would bring about a radical change in the fundamental powers of the railway commission affecting the whole of Canada. It has no immediate bearing on the rights of the maritime provinces any more than of other parts of Canada and is of such a far reaching character as to demand more mature consideration than has been possible up to this time.

There is now before the railway commission the whole matter of flat percentage increases, known as horizontal increases, which the commission recommends should be taken into fresh consideration by the railway commission.

A survey of what is required with respect to the needed railway service improvements on Prince Edward Island will, as recommended, be made immediately, in order that future action may be intelligently determined.

The whole matter of ferry boat service between the island and the mainland is now under investigation, as recommended by the commission.

This brings me to the last of the recommendations, which in the order of the report are the first there mentioned, namely, those respecting money grants to the provinces. The government is prepared to accept the recommendation of the commission to give immediate consideration to a revision or readjustment of the financial arrangements as between the Dominion and the maritime provinces. In this connection attention is invited to what is said by the commissioners with respect to the increase and form of Dominion aid. The statement in reference thereto immediately precedes their recommendation, and is as follows:

> The terms of readjustment are obviously a matter for detailed determination and assessment, so that the actual amount—as well as the reasons and purposes attaching to it, can be recognized by the rest of Canada as fair and equitable. It is not possible, therefore to make a final recommendation as to the increase and form of Dominion aid which is required to satisfy the just claims of the maritime situation.

To gain recognition by the rest of Canada as to the fairness and equity of any revision or readjustment of the financial arrangements as between the Dominion and the maritime provinces, it would appear that the proposed revision or readjustment should be made a subject of consideration in the first instance by a conference at which all of the provinces of Canada as well as the Dominion would be represented. This indeed is directly implied by the language of the commissioners and by the reference which this portion of the report makes to "the revision of 1907" to "general grounds applicable to all other provinces as well as to the maritimes," to "the contention of the maritime provinces that they have been, and are being, dealt with differently from the western provinces," and to the "territorial limitations" of the maritime provinces and their claim that the "extra-provincial lands which came into the possession of the Dominion government at the date of confederation were acquired by purchase and have been developed and given value at the expense of the Dominion."

In order that there may be no delay in effecting consideration by a Dominion-provincial conference of a revision or readjustment of the fianancial arrangements as between the Dominion and the maritime provinces, the government has decided to place this matter on the agenda of the Dominion-provincial conference to be held, as already announced, during the course of the present year. In that conference the Dominion will be in a position which it has not thus far enjoyed, to present its views on the general question of the financial relations between the Dominion and the provinces, as well as on the question of a detailed determination and assessment of the special claims of the maritime provinces, and every province will have an equal opportunity of stating its position.

As already indicated, we believe with the commissioners, that the time is opportune for a readjustment of the financial arrangements between the Dominion and the maritime provinces, but it would not make for an harmonious and lasting settlement of the financial issue, a settlement based on due regard for the needs and interests of all the provinces and of the Dominion itself, to attempt to set a final figure now, before the views of the other provinces and the position of the Dominion have been set forth, and a settlement reached which public opinion will be prepared to accept. For the same reason it is not possible, in advance of the deliberations of the conference and of the detailed determination and assessment which the report recognizes is necessary, to accept the view for which no detailed grounds are advanced, that certain sums set forth in the report should be regarded as "the minimum addition that the three maritime provinces should have in any such revision." The final revision can only be made in accordance with the merits of the case.

As evidence of the desire of the government to go just as far as may be possible, in relieving any feeling of suspense pending a final revision and in order to enable the maritime provinces, in what the commission

describes as "their present state of grave necessity" to deal with any special industrial or financial situation which, in the view of their governments may require public assistance, we are prepared, without prejudice as to the amount to be arrived at as a final solution, to recommend to parliament at the present session the making of special grants to Nova Scotia, New Brunswick and Prince Edward Island of $875,000, $600,000 and $125,000 respectively, these amounts being the sums recommended by the royal commission as immediate lump sum payments.

In concluding this statement, may I say that the government hopes that, by accepting as we have, the recommendations of the Royal Commission on Maritime Claims, virtually in their entirety, parliament and the country will recognize in the attitude of the government a wish to remove this great question as largely as possible from the arena of sectional discord and party strife, and a desire to give to our Dominion in the sixtieth anniversary of its founding, a renewed expression of the spirit which animated the fathers of confederation in their efforts to construct out of British North America a federal union under a system of government devised "to protect the diversified interests of the several provinces and secure efficiency, harmony and permanency in the working of the union."

BRITISH COLUMBIA HALIBUT FISHERY

OBJECTION TO LICENSES FOR JAPANESE FISHERMEN

On the Orders of the Day:

Hon. S. F. TOLMIE (Victoria): I wish to call the attention of the House to an item appearing in the Vancouver Province of last Sunday, which reads:

White Halibut Men Oppose Granting of Licenses to Japanese

White halibut fishing men are alarmed over the report that large numbers of Japanese, formerly engaged in salmon fishing and now barred by the reducing quota under federal regulations, are turning to the halibut banks.

Has the Minister of Marine and Fisheries heard anything of this matter? If so, I should like to ask if the government has jurisdiction in these ex-territorial waters where halibut are caught, and if any licenses are issued to halibut fishers?

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): I am not in a position to give a definite answer to the question. I have not seen the report to which my hon. friend refers. I would be inclined to state just now that I do not think we have any authority beyond the limits. At all events, I will make inquiry in regard to it and will inform my hon. friend at the next sitting of the House.

RULES OF THE HOUSE

CONSIDERATION OF REPORT OF SPECIAL COMMITTEE

Right Hon. W. L. MACKENZIE KING (Prime Minister): I move that the House revert to motions in order to consider the report of the committee on rules.

Motion agreed to.

Hon. ERNEST LAPOINTE (Minister of Justice): I move that the House resolve itself into committee of the whole immediately, to consider the report of the committee appointed to revise the rules of the House of Commons, which report was presented to the House on Tuesday, 15th March last.

Motion agreed to and the House went into committee on the report, Mr. Johnston in the chair.

Amended rule No 1.—Procedure in unprovided cases.

Rule agreed to.

Amended rule No. 2—House to meet at 3 p.m.

Mr. SPENCER: The hon. member for Macleod (Mr. Coote) wished to speak on this rule; he has left the chamber. Perhaps the committee could proceed with the other rules and take this up later.

The CHAIRMAN: All right.

Stands.

New rule to be added after rule 3—Adjournment at 11 o'clock p.m.

Mr. SPEAKER: Following the appointment of this special committee we held sittings on every day set apart for meetings. The meetings were well attended by every member of the committee, which represented fully the three groups in the House. There was harmony and unanimity in the making and adoption of the report.

Mr. IRVINE: I think it is a rule in practice in this House that on Wednesday at six o'clock the Speaker leaves the chair, and any matter then under discussion virtually drops out, or goes to the bottom of the list on the order paper. I wonder whether this rule that is now under consideration would apply to the Wednesday afternoon discussion as it does to discussion on other days closing at eleven o'clock.

Mr. SPEAKER: This question was considered by the committee, and it was decided that the same rule should apply in the future as in the past. The matter under discussion at six o'clock on Wednesday goes to the bottom of the list of public bills on the order paper, but these items under public bills have, under our amended rules, a chance to be debated again in the House on Tuesday and Friday evenings during the hour devoted to private bills, because when private bills are disposed of the remainder of the hour is taken up with the public bills. Sometimes, however, they lie in abeyance during the whole session. I hope my explanation is clear.

The CHAIRMAN: We will revert to amended rule 2.

Amended rule No. 2—House to meet at 3 p.m.

Mr. COOTE: I would like to make a remark or two in regard to this rule. I think the House should seriously consider starting its business at an earlier hour than three o'clock in the afternoon. Ottawa has been well named, I think, the land of afternoon. We should start our work in the morning, in my opinion, but if we cannot do that, surely we might start at two o'clock. As it is, we turn night into day, and those who can sleep in the morning turn day into night. I am not one of those happy individuals who can sleep in the daytime. If I am kept in this House until eleven or twelve at night and get to bed around midnight or one o'clock in the morning, I wake up at my usual time in the morning, and I do not get enough sleep, and then I am accused by some members of getting very cranky before the session is over. I think many other members are in the same position. I am sure it would be better for the House, better for the individual members and better for the business of the country, if we started our work at a reasonable hour in the day and quit at a reasonable hour at night. I do not want to delay the committee or get out of order, Mr. Chairman, but if we agree that the House is not to start until three in the afternoon, it may be impossible to get the House to consent to closing earlier than we do now.

I want to draw the committee's attention to the hours that we must keep here if we do not start our work until three in the afternoon. First of all, there is the effect on the members themselves, and the ministers of the crown and the leader of the opposition are in the worst position. They should be here on most occasions, in fact, nearly all the time the House is in session, and in addition, ministers must attend council meetings and look after the work of their departments. I do not see how they can be mentally in a fit condition to attend to all these duties if they are compelled to sit here until midnight.

Mr. POWER: They were not even before they became ministers.

Mr. COOTE: The ordinary member—I am going now by my own experience—is here as a rule from about nine in the morning until nearly midnight for at least four days in the week. It is true that we have Wednesday night off, but I think that all work and no play makes Jack a dull boy. There is no other class of people that I know of that works four nights a week as well as in the daytime, and I am firmly convinced that if we would adopt reasonable rules to expedite the business of the House and of the committees, we could get along without sitting until eleven at night, but to bring it about we should have to start a little earlier in the day.

If I may go back again to the members of the House, we are here from about nine in the morning until midnight four days in the week, and the other day we are here from nine until six or seven. That leaves us only two nights a week. I think even members of the House of Commons should have a little time for play, and the only time they can get is in the evening, and if they take those two evenings for recreation there is no other evening left in which they can go to bed early. Besides there are lots of people around this House in addition to the members. We have Hansard reporters and reporters in the press gallery, whose work is not done when the House adjourns. They are here for about two hours after the House closes, and if a member happens to speak at eleven or eleven-thirty—

Mr. LAPOINTE: Does my hon. friend know that we are going to adjourn at eleven in the future under another rule?

Mr. COOTE: Even supposing we adjourn at eleven, if the member remains to correct his remarks in Hansard, he is going to be here till twelve or twelve-thirty.

Mr. MARCIL: Under the new rules a member will not be allowed to speak for so long, so they will have less work to do in correcting proofs.

Mr. COOTE: A few nights ago I was speaking here for about five minutes, and I did not want to correct my remarks because it was after eleven. In my remarks I used the word "turbines," and it appeared in Hansard as "carbons." Anyone reading my re-

marks in Hansard will naturally wonder what I am talking about. I do not blame the Hansard reporters because very often this House is so noisy that they cannot hear what is being said.

I would like the committee seriously to consider the question of starting our business earlier in the day and quitting earlier in the evening. As far as I have been able to find out, Great Britain and Canada are the only two countries in the world where night sittings are indulged in by parliament to any extent. At Washington, congress does its business, a business probably three or four times as great as ours, without any night sittings. Nearly all the parliaments in the world do without night sittings except Canada and Great Britain.

May I draw the attention of the House to this fact? Away back in 1907 a resolution was introduced into this House by the then member for South Renfrew asking that the House adjourn at ten-thirty in the evening. We shall have made very little progress in twenty years if we are now simply proposing to adopt a rule to adjourn at eleven o'clock. What I would suggest to the House is this: We might at least sit at two o'clock in the afternoon, take recess at six o'clock, and adjourn at ten. If there is objection to that, could we not at least have two other nights a week off? On Monday and Friday nights we cannot do any very important business in the House because so many members from Ontario and Quebec wish to go home for the week-end, but the members from the west and from the east have to stay here and all they can do is to transact routine business. I say that if the members from Ontario and Quebec are privileged to take off Monday and Friday nights and go home over the week-end, why should not the members from other parts of Canada have the same privilege? Let us do without Monday night and Friday night.

Now a word on behalf of members who come from a distance and bring their families with them. A man's family life should not be destroyed because he accepts the position of member of parliament. If a member does bring his family to Ottawa—and I speak now from experience—

Some hon. MEMBERS: Hear, hear.

Mr. COOTE: I do not understand the applause. I must admit that I am Scotch. Sometimes I bring my family to Ottawa, but my family complain that I spend almost all my time in the House of Commons and they do not see me in the evening.

Some hon. MEMBERS: Oh, oh.

Mr. COOTE: Mr. Chairman, I do not care how much amusement the committee get out of this if I can only persuade them to do their business within reasonable hours. All joking aside—

An hon. MEMBER: What is the joke?

Mr. COOTE: I do not know. If a member takes his duties seriously, and if he has as much correspondence and as many departmental calls to attend to as have some of the members from western Canada—their constituents including many homesteaders, people who want leases, and others who desire their member to do something or other for them—he has to be here from nine o'clock in the morning until midnight. I repeat, I do not see where the joke is when I say that even if a man brings his family to Ottawa they will not see very much of him unless they come and sit in the galleries. We have committees almost every morning of the week, we have our correspondence to attend to, and we have our duties in this chamber. It means, as I say, that a man is tied down here from nine o'clock in the morning until midnight. Is it any wonder that in the last parliament we lost so many of our members? I think it is too severe a strain physically on members to carry on even during the hours that are proposed under the new rules, which I must admit are an improvement on the present rules. In my judgment if this House of Commons cannot devise rules for the transaction of the country's business without sitting here until eleven o'clock at night four nights a week it is certainly a reflection upon our intelligence.

Mr. HAY: Mr. Chairman, I differ just a little with my hon. friend from Macleod. I get ample sleep at home during the summer and I thought that coming down to Ottawa I could perhaps do without as much sleep as I had been accustomed to. I find I can. I have reached the conclusion that there are too many days and too few nights in our time-table. If we can readjust ourselves in some way I am quite willing that we should have at our disposal more nights and fewer days. But what affects some of my colleagues from the western provinces most seriously seems to be the disturbance of their family arrangements. Thus far my experience is that I really see more of my family here than I do at home. But perhaps so far as the major membership of the House is concerned it would be agreeable to them if some of us at this end were not so frequent in our attendance and so keenly interested in public af-

fairs! In all seriousness, would it not be possible for us to agree to attend punctually at the hour of opening and devote our time to our parliamentary duties during the full duration of each day's sittings. I do not refer so much to attendance in this chamber, and being a new member I am not offering any advice, but I have noticed that in our committees we are punctual for the opening meetings, although afterwards we are often fifteen to twenty minutes late. Not only in this chamber but in the various committees it is most difficult to carry on our work because apparently we give too much attention to something that ought not to concern us and too little attention to the subject matter in hand. I do not know that the acoustics of this chamber can be improved to any very great extent, but certainly from either end it is most difficult to hear discussion that may be proceeding beyond the centre and nearer the chair. I believe that if we would give a little more serious thought to the business of the House we might accomplish much more within the present hours. Then we would have ample time for play and when the weather is fine we would be able to enjoy the beauties of Ottawa, for in the summertime I am told it is a very pretty place. I am not so busy at home during the summer season and with the kindly coöperation and hospitable generosity of local members and the ministers who desire to entertain those of us who are living here on the European plan and not on a flat rate, perhaps we could spend some part of the summer very profitably.

Mr. POWER: May I draw the attention of the committee to the fact that during the last nine years that I have been a member of this House no budget debate has been terminated before eleven o'clock at night. A great deal more progress is always made after that hour than at any other period of the day.

An hon. MEMBER: No.

Mr. POWER: I am calling the attention of members to that fact. It may be that some of us are not fully awake and in our best state of mind until after eleven o'clock. It seems to me that we will be prolonging the length of the session if we lay down any such hard and fast rule as that now under discussion. I am very much opposed to it and do not think that it should be adopted. If it does pass, and it is desired to have a fixed hour of adjournment, let us sit straight through from three o'clock in the afternoon until eleven o'clock at night, as is, I understand, the custom in Great Britain. We could very easily arrange that between six and eight o'clock only noncontentious measures would be brought up and that no votes would be taken either in committee or in the House during that period. It would be a comparatively easy matter to keep a quorum and we could get through a great deal of work. However, I put that forward only as an alternative suggestion in case the House decide to give up the good old practice of sitting as late as we can as long as we get our business done.

Mr. EDWARDS (Frontenac): What rule are we on?

The CHAIRMAN: Rule 2. The third rule is carried.

Mr. EDWARDS (Frontenac): That is putting the cart before the horse.

The CHAIRMAN: Rule 2 was allowed to stand.

Rule 2 agreed to.

Mr. EDWARDS (Frontenac): If the third rule is carried I cannot do anything more than enter my protest. I heartily agree with the hon. gentleman who has just taken his seat. I am in entire agreement, as I am sure other members are, with the proposal that it would be advisable for this House to rise every evening not later than eleven o'clock. I do not think there is any difference of opinion as to that, but I do question very strongly the advisability of laying down a hard and fast rule to effect it. I believe it would take away, to a certain extent at least the liberties of the members and I believe it would not conduce to expediting business, for in many cases members would continue to talk on the principle, "Oh, well at eleven o'clock the sitting will be through anyway."

Mr. MARCIL: We are to have a rule governing the length of speeches.

Mr. EDWARDS (Frontenac): There are a sufficient number of members who would be prepared to talk forty minutes each and thus keep a debate going interminably. I do not think that a hard and fast rule for the adjournment of the House at eleven o'clock would make for despatch. Hon. members would simply keep an eye on the clock, knowing that at eleven o'clock the House would automatically adjourn, and they would just talk to kill time. That would not be in the interests of the country. The rule is absolutely unwise, and it would be an infringement of the liberties of members. In my judgment it is not in the best interest of Canada to adopt such a rule. Surely we can leave the adjournment of the House to two factors;

first, the general disposition of members to close at a reasonable hour. We might put some dependence on that disposition. As has been suggested, in the budget debate, which usually comes on early in the session, or in the debate on the address, no harm would be done if the sitting now and then exceeded eleven o'clock. A member might be able to conclude his remarks if he were allowed to speak for half an hour or so after eleven o'clock, but with a rule in force for adjournment at eleven he would have to wait until the next day. I do not agree with the statement of the hon. member for Macleod (Mr. Coote), which is very often repeated in the press, as to time being wasted in this House. I admit that a certain amount of time is unavoidably lost in parliament, but it has often struck me that newspaper editors in criticising the members of the House of Commons for waste of time might very well look over their own papers and see how much space is wasted by Jiggs pictures and things of that sort. Having regard to the extent of this country, some members representing constituencies which are larger than some independent countries in Europe, does this parliament waste any more time—indeed, in view of the business to be done, does it waste as much time—as the township council, the city council, the county council and the provincial legislatures? My own honest opinion is that we do not waste any more time in proportion to the extent of our business than they do; and we pay closer and better attention to the affairs of the country than is generally the case in other legislative bodies. Undoubtedly a certain amount of time is wasted; that has always been true and it will continue to be so. But time is wasted at meetings of boards of trade and other bodies as well. I have no hesitation in saying that, if we are tied down to a hard and fast rule to adjourn at eleven o'clock every night, we shall waste far more time than we should if we were allowed some latitude and some room for the exercise of judgment and common sense on both sides; for I am sure it is the general desire of members throughout the House to stop at a reasonable time.

Mr. LAPOINTE: There is no doubt that in any change of this kind there are arguments pro and con. There is much in what my hon. friend from Frontenac-Addington and my hon. friend from Quebec South have said, to the effect that a rule for adjournment at eleven o'clock might not help to expedite the business of the House. I trust, however, that other rules which we shall adopt will compensate for whatever disadvantages might result from this one. This rule is rather in the interests of common sense and of the health of members. I agree to a large extent with what my hon. friend from Macleod has said, and I am glad he has given a description of the work of a member of parliament. So many people in the country think that we all come here for a holiday, but a member's task is tedious. It might very well be called a drudgery; it is work that impairs the health and, as the hon. gentleman has said, makes family life impossible. I do not however quite agree with the hon. gentleman in his suggestion that we should begin at two o'clock in the afternoon. This has been tried on Wednesdays for some time but it has not worked very well. And as a matter of fact, although it stood as a rule it has never been observed.

Mr. STEVENS: It has always been observed except in the last two years.

Mr. LAPOINTE: Oh, I think for a longer time than that. Let me take my own case by way of illustration, unpleasant as it is for one to be personal. We work from nine to ten in the morning and we have to look after the affairs of the departments, receiving delegations, carrying on the business of council, and so forth. As has been said, ministers are expected to be in their seats and in fact we try to do so. I do not see therefore how we could very well be expected to come to the House at two o'clock every day. I may say that the meetings of this very committee, in which I was interested, I found it simply impossible to attend. I certainly think that three o'clock in the afternoon is early enough for the opening of the House. An hon. member has made a remark about Friday and Monday evenings, saying that we practically lose these sittings because of the absence of many Ontario and Quebec members. That is not my experience. My experience is that we have done much more work on Friday and Monday evenings than we do on other days. The absence of the members referred to does not reflect itself in any curtailment of business.

Mr. HEAPS: That is a compliment to the other provinces.

Mr. LAPOINTE: I will say it is a compliment to my hon. friend, who is very diligent in his attendance, as well as to all who remain here. As I said, these rules have been carefully considered, and while there may be objections to some of them, they are on the whole, I think, such as will lead to a better parliamentary life.

Mr. BENNETT: I have listened with much interest to the observations of my hon. friend from Macleod, of the Minister of Justice, and of the hon. member for Frontenac-Addington with respect to the opening of the House at three o'clock. In England it used to be the custom to open at four o'clock, but looking up the rule recently I found that the House there meets at two forty-five. Might we not compromise in this House and meet at that hour?

Mr. GUTHRIE: Why?

Mr. BENNETT: For the reason that the fifteen minutes between two forty-five and three o'clock would give us time to dispose of a good deal of routine business of the House, so that at three o'clock we might be able to direct our attention to the regular program. There is only one objection to this suggestion and that is the possibility of its interfering with ministers in council in the discharge of their duties. That is the only difficulty I can see. In this country the cabinet meets practically every day during the session usually at two o'clock, and whether forty-five minutes would be sufficient time for the disposal of the business on hand it is difficult for one who occupied the position for so short a time, and who was not in office during the session, to determine. It does occur to me however that we might effect a compromise by meeting at two-forty five.

With respect to the hour of closing, may I point out to my hon. friends from Quebec South and Frontenac-Addington that the House always has control of its own proceedings, and it would be only necessary at any time for the Prime Minister to give notice that on such a date the rule for eleven o'clock closing would be suspended. The Prime Minister to-day, for instance, gives notice that on and after a given date we shall sit in the mornings. If this rule now proposed were adopted, its operation could be eliminated at any time upon notice being given. In the main I am prepared to accept the findings of the committee, but in view of the remarks that have been made I may point out that in England they adjourn at eleven-thirty. It is fixed by rule in England, notwithstanding what my hon. friend says, that at eleven-thirty, in some circumstances, and at five o'clock and eleven o'clock in other cases the House adjourns. They also have a special rule in their procedure whereby it is provided that a minister may give notice, and when the House signifies its acceptance of his motion the eleven o'clock or eleven-thirty or five o'clock closing rule does not prevail. It seems to me that that would meet our difficulty; if we wanted to sit until midnight it would only be necessary for the Prime Minister or the minister in charge of the measure under consideration to give notice the day before that the next day the rule in respect of the eleven o'clock closing would not apply, until the question under consideration was finished. For instance, the whole budget debate might be treated in that way, which would overcome the difficulty mentioned. In the main I am glad to support these recommendations.

Sir GEORGE PERLEY: I consider that we had very satisfactory meetings of this committee; our object all the way through was to devise changes in the rules upon which we could all agree, and in our report we were unanimous. The hon. member for Macleod (Mr. Coote) and the hon. member for Frontenac-Addington (Mr. Edwards) took different views; one wanted to sit later and the other to adjourn earlier, but this report is a compromise. I came into this House a great many years ago and from my very first session I felt that we should amend the rules in order to close earlier in the evening and to have shorter speeches; in that way we would be kept here a shorter time and the business of the House would be done more quickly. I am very glad to have been a member of this committee and to have had a part in drawing up these recommendations, which I think will help very much in expediting business and in allowing us to get home at an earlier hour than has been the case in the past. It seems to me that wise men would hardly agree that they should sit here until four or five o'clock in the morning, as has been done many times in my experience, and I hope that that practice will be stopped. The hon. member for West Calgary (Mr. Bennett) has explained about the hour of closing; that matter is entirely in the hands of the House and by giving notice the rule can be suspended. Of course, when closure is brought in we have not suggested stopping at an earlier hour than that provided in the old rules, which is two o'clock in the morning. It may be as some hon. members have said, that this will lead to greater time being taken in discussing these matters, and in such case I suppose we will have closure often; so far as I am concerned I see no reason why that should not be. I hope the House will adopt these rules as they have been unanimously drawn up by the committee.

Mr. SPENCE (Parkdale): I agree with many hon. members who have spoken that shortening the hours we spend in this House

would be a proper procedure. There is no reason why this House should sit after eleven o'clock; if there is some matter of great public importance under discussion, by unanimous consent we could arrange to sit later. Years ago we used to consider that unless we kept our stores, warehouses and other places of business open from early in the morning until eight or nine o'clock at night we could not get along, but during the war, when help was scarce, our ideas changed. To-day we are opening at eight o'clock and closing at five o'clock, and our business is just as great as it was before. It may be, as one hon. member has said, that we push through a lot of business after eleven o'clock at night; that may be all right for the party in power if they can catch the opposition asleep but it is not the best thing for the country and we should consider the people. It is not often that I disagree with the hon. member for Frontenac-Addington (Mr. Edwards) and agree with the Minister of Justice (Mr. Lapointe), but in this case I agree with him absolutely. In this House business administration should apply as in any other big business. We drift along in a lackadaisical way, doing nothing and discussing radical resolutions which should never be introduced here. In revising the rules of the House I would suggest that something be done to eliminate matters of that kind altogether. I am not referring to any hon. member in particular, but I think we all waste time, with the exception of myself, and it is a crime to lose the time and waste the money of the country sitting here week after week when we should not be here at all.

Mr. WOODSWORTH: I would just assure the hon. member that I will give him every support if he initiates a strike in this House for an eight hour day.

Mr. MARCIL: I should like to support what has already been said by the other members of the committee. These rules are in many cases compromises; we would have shortened the work of parliament still more had we been able to agree, but in that way we did bring in an unanimous report. We must not only consider to-day's sitting; a late sitting to-day means that the committee to-morrow morning will not meet. The committee on privileges and elections met three times last week and each time lacked a quorum. I have had the honour of sitting in this House for twenty-nine consecutive sessions, and I have been a member of three committees appointed to revise the rules; I filled the position of Deputy Speaker for four years and of Speaker for three years, and I say without fear of contradiction that with three parties now in the House we should accept these recommendations. We have considered the rules in the British House, where the so-called midnight rule applies, and I am sure that in our common sense and anxiety to give the country the best we have and with our desire to get through our work as expeditiously as possible and in as businesslike a way as possible, the majority of this House will be in favour of the adoption of these changes. My experience in the old days was that we never settled any important question before five or six o'clock in the morning, twenty-five or even fifteen years ago all the important divisions were taken at about that hour. Then closure was brought in; that was a blessing in disguise and helped the government of the day, but it was also a great help to the opposition. We have had debates in this House which lasted for a fortnight, beginning at three o'clock Monday afternoon and ending at midnight Saturday night. Men were so exhausted that they lay down here on cots; some of them brought pillows and we were a laughing stock; we were nick-named "sleeping beauties", and people came to gaze upon the results of our foolishness. I sincerely hope this report will be adopted; the eleven o'clock closing rule can always be suspended, but when it is adhered to we will feel fit to do something the next day, and it must be remembered that all the important work of a member of parliament is not done in this chamber. We all belong to committees, to which important measures are referred, and I am sorry to say that as it is many members do not attend the meetings of those committees as regularly as they might. When we have late sessions the committees meeting the next morning are not attended, and as a consequence important matters are neglected and the work is not satisfactory. As I have said, the committee has brought in a compromise report in the best interests of all parties, and I hope it will be supported by the House. These rules will come into effect next session, and if we find that we have made a mistake we can then correct any rule we so desire. For the present I think the House should do this committee the compliment of adopting the report.

Mr. POWER: Mr. Chairman, the surest evidence that late sittings have not been injurious to the health of the members is the eloquence and mental ability of the hon. member who has just resumed his seat and who has been a member of this House for twenty-nine years. If he has been able to remain through these long sittings for twenty-nine

years and then deliver the speech he made this afternoon, I have no doubt that if our electors permit us to do so we are capable of doing the same thing. Every reason urged by the Minister of Justice in refusing the request of the hon. member for Macleod that we do not sit Friday night applies with equal force to sitting after eleven o'clock on any night. He stated that more work was done on Friday night than at any other time. Possibly the implication was because some members were away. The same thing applies to not sitting beyond eleven o'clock at night. I do not wish to insist on this but I think experience will show that the government, no matter which party may be in power, will suffer. It will be comparatively easy to obstruct, comparatively easy to keep the House sitting until eleven o'clock at night. I know it would be my best wish under such a rule to be sitting on the opposition benches.

Mr. McGIBBON: I just want to say a word on this matter. I agree with all those who have spoken that it is our duty to facilitate the work of parliament. I also agree with the hon. member who has just sat down that this rule will not accomplish that result; there is no question of that at all in my mind. I think the government are making a serious mistake. After all it is the duty of a government to govern, and if they are going to govern they must have the power to do so. This rule will put the government in the hands of the House. Talk can be maintained every night until eleven o'clock, and the government will find that they are seriously handicapped in carrying on the affairs of the country. The members of the government may be hard worked, but I can assure them that there are lots of other people who would be glad to take their places. The same thing is true of members of parliament. Every time they go home they can find a dozen people who would gladly relieve them of their duties. But I do not think anybody can say he is seriously overworked in the House of Commons when he only puts in three hours in the afternoon and three hours at night. I agree with the hon. member (Mr. Power) that anybody who has watched the business of this parlimaent will find that the most effective work is done after eleven o'clock. Many of us have had to sit here and listen to speeches that sometimes occupy two, three and four hours, many of them repeated session after session, and two or three times a session. I am not one of those who take up many hours of the time of this House, it is very seldom that I make a speech of even twenty or thirty minutes duration. I want to say to the government that they are not going to get the business of the session done more quickly by adopting an arbitrary rule to quit at eleven o'clock at night. We are not children. Most of us are supposed to have reached the age of maturity and common sense. The necessity for adjourning at eleven o'clock at night, or earlier, is in everybody's mind, but when you make an arbitrary rule to adjourn at that hour the government will find night after night that when they take up their measures, especially estimates, they will not get the work done as quickly as they otherwise would.

Mr. EDWARDS (Frontenac): I have just one other remark to make and I may as well make it now before the forty-minute rule comes into operation. It has been mentioned that if the eleven o'clock rule proves irksome it may be suspended. That is very true, but the responsibility for carrying on the work of the House does not rest upon this side, the responsibility is upon the government. I suppose that if in the judgment of the government it was deemed advisable to suspend the rule the motion for suspension would come from them, and they might continue sitting until twelve o'clock midnight, or one or two o'clock in the morning. I do not imagine a motion from this side of the House that the rule be suspended in order that we might continue after eleven o'clock would meet with approval; I would not expect it to. At any rate I say the responsibility rests upon the government for any such motion as that. But I think I am right in making the assertion that there is a general impression throughout the country that most of our estimates go through in the last few days of the session—that millions and tens of millions of dollars of estimates go through at that time. Now it might be particularly in the interests of the government to try to put those estimates through by continuing after eleven o'clock at night in the hope that members would get tired and say "Oh, well, let them go through, I am going home." What I want to say in that regard is that if there is any instance where that rule should be vigorously followed it is when the estimates are going through and the money of the country is being voted. It would be open to the government to suspend the rule if they thought it advisable in order to facilitate the passage of estimates in that way. It would certainly be in their interest to suspend that rule, and continue sitting until one or two o'clock, or perhaps three o'clock in the morning in order to rush things through. Suppose the government desire to prorogue on a certain date and they say: Both sides of the House

desire to close on that date. Different matters are introduced. The government make an estimate of how much time it will take to get the business through but fresh matters crop up that reduce the margin of time allowed and in order to close by the date fixed the government give notice of motion to suspend the rules and so rush through estimates of hundreds of millions in the last few hours of the session. I want to enter my protest now before that happens, if it does happen. Because it would be better not to have any arbitrary rule at all than to have it suspended by the government when it is to their interests to do so in order to rush through estimates and other business at a time when people are tired and want to get away. I hope the government will not abuse the rule in this regard at all events.

Mr. SPEAKER: As was stated by one hon. member the committee in agreeing upon eleven o'clock thought to strike a happy medium. Personally I was in favour of adjourning at ten-thirty; other members of the committee favoured eleven o'clock, and still others thought eleven-thirty o'clock should be the proper hour. Finally the committee agreed upon eleven o'clock as best harmonizing the diversity of view.

Let me say to hon. gentlemen on both sides that in Britain where they have to scrutinize perhaps the biggest budget in the world, where they have to administer the affairs not of one country but of an immense empire, the House begins to sit in the afternoon at four-thirty and adjourns, except on special occasions, at eleven-thirty in the evening. Now, I admit we have a new country and we have vast problems to settle, but I think that by reducing the length of the speeches delivered here we can efficiently administer Canada's affairs in a reasonable length of time.

The hon. member for Macleod (Mr. Coote) a moment ago mentioned the Wednesday sittings beginning at two o'clock in the afternoon. I remember when that rule was introduced. It is the progeny of my dear old friend, Right Hon. Mr. Fielding. The hon. member for Bonaventure (Mr. Marcil) said a moment ago that he had sat in parliament for twenty-nine consecutive sessions. May I be permitted to say that I have sat in the House of Commons for thirty-one consecutive sessions. I was a boy when I came here first and, thank Providence, I feel like a boy yet. Mr. Fielding introduced the two o'clock rule for Wednesday sittings but the first session after its introduction members began to realize that it was impossible to deal with the business of the House even for only one day each week at two o'clock in the afternoon, and the rule has been a dead letter practically ever since. The motion to suspend this rule, which forced members to rush to the House of Commons from the club or from the hotel, in order to be in their seats on time was practically the first motion made every session. Now this rule was adopted in a moment of fervor to expedite the work of the House but it did not succeed. As to the duration of the session, I believe we shall have made immense progress by agreeing to reduce the length of speeches to forty minutes. Let me recall some of my own experiences. In the old days, before 1900, it was the fashion to deliver long orations and the best among our parliamentarians were in the habit of speaking for two or three hours. Tupper and even Laurier, but in a lesser degree, would deliver long speeches. Blake delivered very long speeches. His speech in the early eighties against the Canadian Pacific Railway contract I think lasted for five or six hours. That was accepted in those days. But in this respect there has been a change in England as well as in Canada. It would not surprise members of the House if I were to say that the great Gladstone would be out of place in the House of Commons now. Public affairs are now managed by the British parliament as if it were a board composed of business men, with the directors sitting at the table and the shareholders around them. On one occasion after the war, in 1920, I happened to be in the House of Commons, and the proceedings were most interesting to me. Asquith had been elected for one of the Scottish seats, Paisley I think it was. He was introduced on that day, and he gave notice of a motion to consider the state of Europe after the war. That was surely a big issue. The motion came up the following day by mutual agreement between Lloyd George and Asquith. Asquith spoke for thirty minutes on the state of Europe after the war, and Lloyd George followed and closed the debate in twenty-five minutes. Surely a member can say all he has to say in less than forty minutes. I was in favour of making the limit thirty minutes. The best English ever heard in this House was spoken under closure in twenty minute speeches. The speeches were to the point, couched in excellent language, went to the root of the question, and delivered, I may say, with warmth and eloquence for fear of the guillotine. I say to the House, let us be practical. We say that we model our rules upon the English pattern. In England they have reduced materially the length of speeches. They do their business,—

yes, and they administer the affairs of a great empire in rather short sessions of the House. Why should we be provincial in this matter? Let us imitate the great mother of parliaments; let us be broad-minded and business-like. The country would thank us for it.

New rule to be added after rule 3—adjournment at 11 o'clock—agreed to.

Rule 5—to be transferred to rule 23 as section 1, agreed to.

Amended rule 10—Select standing committees.

Mr. WOODSWORTH: I observe that there is a committee on industrial relations. Our present committee is called committee on industrial and international relations. I think we should retain the two words.

Mr. SPEAKER: It is a mistake; the full name will be restored as it was formerly.

Mr. NEILL: I must take exception to this rule. I do not think it will achieve the purpose intended. I think the general idea is that there is difficulty in getting a quorum together on the day on which these committees meet, and it is proposed to remedy that by reducing the size of the committees, but in many cases increasing the percentage of the quorum, which will make it even more difficult to get a quorum. To begin with, may I say that much of the difficulty in getting a quorum of committees together is due to the fact that it is the custom of hon. members living in the neighbourhood in Quebec and in nearby places in Ontario to go home for the week-ends; consequently we have no committee meetings on Friday or Saturday, and we might well have meetings on those days, and we have no committee meetings on Monday because the members have not got back, and the result is that on Tuesday morning we have seven or eight committees all asking for a quorum at eleven o'clock. That is the real trouble in getting a quorum together. Some hon. members are ashamed to advertise that fact. Look at the proposed changes in the number of members on the committees. In the case of the committee on miscellaneous private bills it is proposed to have fifty members, fifteen of whom shall constitute a quorum. The committee formerly was composed of sixty-five members, and ten would constitute a quorum. If my figuring is correct ten out of sixty-five would mean 15 per cent, and fifteen out of fifty would be 30 per cent. Do hon. members think it will be easier to get 30 per cent of the committee than it would be to get 15 per cent? The same idea is carried out all through the list of committees. The quorum for the committee on agriculture has been raised from 11 to 33 per cent. It would be comparatively easy to obtain a quorum of 11 per cent out of a membership of 105, but when you have to get 33 per cent of that committee together in order to have a quorum, it will be difficult. I say that these changes will not achieve the object aimed at. I suggest that the remedy is to leave the committee as it was before and make the quorum smaller.

I should like to refer to another phase of the matter. On page 7 we have the statement that it has been so arranged that each member may belong to two committees, according to the number of committee men arranged under this section. That will not be satisfactory in working out the matter. It may be all very well for members who represent an exclusively industrial district, or perhaps those exclusively engaged in some kind of farming, such as the growing of wheat in Alberta, but there are other districts where they are engaged in a variety of employments and where some representation should be granted to them. For instance, in the district I represent we have a large agricultural population and I want to be on the agriculture committee. Marine and fisheries is an important thing in my district, and I want to be on that committee. Then again, on account of the large labour vote in my district, I want to be on the industrial relations committee. I am told I can be placed on two committees only. Which of the two will it be? Take fisheries as an illustration; that resolves itself around two features, the salmon fishery in British Columbia and the lobster fishery on the Atlantic coast. Am I to leave the interests of the salmon fisheries in my district to be decided by the gentleman from Nova Scotia, whose interest does not go beyond the lobster industry or vice versa? It is not fair or just.

Another point is that people say "Oh well, members do not come to committee meetings." We will find that they will come to the sittings of both committees on occasions when they are required. A man interested in the dairy industry will not attend a meeting of the agriculture committee when the committee is dealing with the transportation of beef cattle across the Atlantic, but he will be on hand when the matter in which he is interested is to be discussed. When the transportation of cattle across the Atlantic is under consideration he can go to other

committees. It is an advantage to have a large committee, because the men who are interested in the matter will turn up, and you will have less trouble in getting a quorum. But you have the greatest difficulty in getting them to turn up to discuss something in which they are not in the least interested, but in which other members are very vitally interested. I would suggest that the remedy is, as I said before, to leave the committee as large as before, but to reduce the quorum, and if we could possibly get into the way of holding committee meetings on Friday and Monday, it would do away with a great deal of the trouble we have in getting a quorum.

Mr. MARCIL: This amendment was based on a recommendation made to us by Mr. Todd, who has been the Clerk of the Committees of this House for forty years. The intention is to reduce the membership. These large committees, such as the railway committee, with 135 members, are unworkable. The more members you have on a committee, the less work they do, and our object here is to distribute the work among all members of parliament so that each member will not have more than two committees at the outside to attend, and perhaps only one. What happens in practice is that two or three committees of which you are a member will be sitting at the same hour in the morning, and it is impossible in such a case for members to give their undivided attention to the work before them. We therefore invited Mr. Todd, with his forty years experience as Clerk of Committees, to prepare for us what he thought would be a workable system, and this is the result. I think it should be tried before being changed.

Sir GEORGE PERLEY: I would say to my hon. friend from Comox-Alberni that all the members of the House have the same kind of difficulty that he suggests. We are all of us interested in all the committees at times, but we cannot all be members of all the committees, and I would remind him that as a matter of custom and etiquette a member can always go to a committee of which he is not actually a member and listen to the proceedings. As a matter of fact, even though he be not a member of the committee he is attending, I have never known a member to be refused a chance to speak on a subject if he wished to do so. He has not the actual right to speak in a committee of which he is not a member, but I have never known permission to be refused.

Mr. NEILL: My hon. friend is speaking from his experience, and I am speaking from mine. I have seen permission refused several times in the few years' experience I have had in this House. I can give him a case in point. It occurred in the railway committee. I was not a member of that committee, and I proposed to make some remarks in it, and I was called to order. The point of order was raised whether I was entitled to make any remarks, and I know of another occasion when the same rule was applied, and properly applied, to another member. So far as having the right to go in and look on is concerned, we can all do that in a police court, or in the Supreme court, but that does not give us much say in what is being done there. The man who butts in on some particular phase of an inquiry that is being held by a committee of which he is not a member gets very small attention. He is not allowed to cross-examine the witnesses, or to vote, and he is accepted as being simply an onlooker. That is all the good it does him. My hon. friend points to what has always been the custom; but we are living in an age of progress. There are five parties in the House, now, and some consideration should be given to that.

Sir GEORGE PERLEY: My hon. friend's experience has been different from my own. It seems to me the exception proves that the practice is all right. Each committee must have full control over its own deliberations, and if I go into a committee of which I am not a member, and for any reason that committee feels I should not be allowed to speak, that is their right, because they have full control of their own proceedings.

Mr. NEILL: I do not want to go into a committee of which I am not a member. Why do you suggest I should go?

Sir GEORGE PERLEY: I did not suggest that. I simply said that I have never known a case where a member of the House was refused permission to speak in a committee of which he was not a member. My hon. friend's experience has been a little different, but I am sure that does not often happen.

Mr. KELLNER: I think the members of the House will recollect that the former member for Brant, Mr. Good, introduced a resolution in this House for reducing the membership of committees, and he appeared before the committee revising the rules of the House two years ago, and made a considerable impression on the committee. I think every member of that committee was convinced that his argument was sound, and that the membership should be reduced. He had gone to a lot of trouble in getting statistics as to

what would make a good working committee and quorum, and we adopted his recommendations which were supported by the Clerk of Committees, Mr. Todd. I think that the committee arrangement which we have to-day is probably just about as unworkable as you could get. For instance, two weeks ago Tuesday morning I was summoned to attend four different committees meeting at the same hour, and I am satisfied that many other hon. members of the House received similar notices. The impossibility of attending several different committees meeting simultaneously is apparent, and I cannot see what good it is going to do any member to be on a lot of committees which he cannot possibly attend. Under this new rule members will be able to attend their committees.

In regard to the quorum, there was a good deal of objection three or four sessions ago to the quorum being made only a small number, because that would allow a few members to get together and put things through which did not have the approval of the majority of the committee. For ten or twelve members to form the quorum of a committee of well over one hundred is a pretty small proportion, and it is a little dangerous. I think the quorum should be kept up to between one-quarter and one-third the membership of the committee. I believe that this recommendation coming from the committee will give every member of the House the opportunity to get on the one committee he most desires to be on, and the privilege, possibly the duty, of being on a second committee. I feel that that is as good an arrangement as we have had suggested up to the present time, and I recommend its adoption.

Mr. McLEAN (Melfort): I should like to endorse the suggestions of the hon. member for Comox-Alberni. I would be almost inclined to go further than he does and allow every member of the House to take part in the discussions of any committee. Perhaps that would not be practicable, but I do not see any reason why any member of the House should not be allowed to speak in any committee. In the short time I have been in this House I have noticed that the more work that is done in committee, the less discussion there is when the measure comes back to the House. The work done in committee is not so spectacular, but it is much more useful. I do not see any good reason for cutting down the size of committees, because it would only result in throwing upon the members more work that would have to be done in this chamber. I remember last year a very respected member of this House, the father of the House, advancing an argument in committee, and someone objected to him speaking in the committee, and wanted to force a vote. His reply was, "I will speak here or somewhere else where you will have to listen to me." I notice that members who thresh out a question in committee spend much less time discussing it in the House.

I think the objection raised by the hon. member for Comox-Alberni to committee work as it is done at present is valid, and that more work might be done on Fridays and Mondays. I was present at a committee meeting this morning, and we are meeting again on Monday morning. I believe that a great deal more committee work could be done on Friday; on Monday many members are away.

As to limiting a member of the House to serving on two committees, I again endorse what has been said by the hon. member for Comox-Alberni. That proposal is not fair to members of the House. Many constituencies are interested in more than one subject. I represent a constituency myself that is vitally interested in agriculture, in forestry, in fishing, in minerals, and in finance. Why should not their representative in this House have the right to represent them on the various committees dealing with these matters?

Mr. BROWN: The hon. member for Comox-Alberni has raised the objection in regard to reducing the size of the committees and of the quorum required, that it might be harder to get the required percentage of the committee than under the present conditions. It seems to me the very fact that the number of members of the several committees is reduced means that there will be more members available to attend those particular committees, and of itself justifies raising the quorum.

Mr. NEILL: It will be easier to secure the attendance of twenty than of ten members?

Mr. BROWN: I think my argument will appeal to a mathematical mind.

Mr. NEILL: Then it must be a very astute one. I cite the case of the agriculture committee, where the old quorum was ten, now it is to be twenty. It will be easier to secure the attendance of twenty than of ten?

An hon. MEMBER: Yes.

Mr. NEILL: That is a species of higher mathematics beyond me.

Mr. BROWN: I repeat my argument. It will be possible because there will be more

members available to make up the quorum than when they are expected to attend a larger number of committees.

The CHAIRMAN: Shall rule 10 carry?

Mr. NEILL: No, take a vote.

Amended rule 10 agreed to.

On amended rule 11—Special committees.

Mr. CLARK: Mr. Chairman, I think it should be provided that the members be named in the original notice.

Mr. SPEAKER: It is an unwritten rule of the House that no committee can be appointed without its personnel being stated. The rule is transgressed sometimes, and it is only by unanimous agreement that such a defective motion is allowed to pass.

Amended rule 11 agreed to.

On rule 12.

The CHAIRMAN: The committee recommends that rule 12 be transferred to rule 11 as section 3.

Mr. KELLNER: It will be recalled that the other day when an amendment by a private member was offered to a resolution before the committee of ways and means it was ruled out of order. I am prepared to admit that there is a difference of opinion on that point, but I think all parties are agreed that a private member has the privilege of introducing an amendment to a bill. As, however, there is no rule covering the point, we have to look to the various parliamentary authorities for guidance. Therefore I would suggest that the clerk be instructed to draft a definite rule stating the privileges of private members with respect to offering amendments either to a resolution or a bill before the committee of ways and means.

Rule 12 agreed to.

Amended rule 15 agreed to.

Amended rule 17A—Debatable motions.

Mr. McLEAN (Melfort): I may be reading this rule incorrectly, but it does not seem to me to carry out what is intended. It is in this form:

The following motions are debatable:—
Every motion standing on the order of proceedings for the day, except—

Then the list of exceptions is given.

—except for the second reading of a bill, or for the third reading of a bill, or for the consideration of Senate amendments—

Mr. LAPOINTE: Oh, no. Those are debatable.

Mr. McLEAN (Melfort): As the amended rule is framed it makes these exceptions:

The following motions are debatable:—
Every motion standing on the order of proceedings for the day, except government notices of motion for the House to go into committee at a later date, or for the—

Mr. LAPOINTE: No, "or, (b)."

Mr. McLEAN (Melfort): I will read the paragraph in full.

Mr. MARCIL: The exception is really parenthetical.

Mr. SPEAKER: Would it not be better to insert "and" instead of "or"?

Mr. LAPOINTE: I think it is just as well this way.

Sir GEORGE PERLEY: The hon. member for Melfort appears to be mistaken. The rule really provides that the following motions are debatable, (a), (b), (c), (d), (e), and so on. But as the question has been raised, in order to make the meaning plain the words:

—except government notices of motion for the House to go into committee at a later date,

Might be enclosed in brackets.

Mr. LAPOINTE: Strike out the word "or".

Mr. McLEAN (Melfort): Leaving in the word "or" means that all these other motions are not debatable.

Mr. STEVENS: No, the only exception is government notices of motion.

Sir GEORGE PERLEY: You will have to strike out the word "or" in every paragraph.

Mr. EDWARDS (Frontenac): What is the objection to putting in before (b) and (c) the words "every motion"?

Mr. McLEAN (Melfort): If "or" is struck out it would remove my objection.

Sir GEORGE PERLEY: Yes, strike it out.

The CHAIRMAN: Is it agreed that the word "or" in each section be struck out?

Some hon. MEMBERS: Agreed.

Amendment agreed to.

Amended rule 17A as amended agreed to.

On amended rule 13—Deputy speaker.

Mr. McLEAN (Melfort): In the first paragraph the concluding words "House of Commons of England" should be changed to read "the British House of Commons," for the simple reason that there has been no House of Commons of England for over two hundred years.

The CHAIRMAN: The language is taken from some of the old rules.

Mr. POWER: Why not substitute the words "House of Commons of Great Britain and Northern Ireland"? Or we could follow the language in amended rule 1:

In all cases not provided for hereinafter or by sessional or other orders, the usages and customs of the House of Commons of the United Kingdom of Great Britain—

And so on. Is there any distinction between the House of Commons of Great Britain and the House of Commons of England?

An hon. MEMBER: Certainly.

Mr. POWER: I understand that the title of the House of Commons was changed at the last Imperial conference because the King's title was changed.

The CHAIRMAN: It is suggested that the concluding line of the first paragraph of amended rule 13 be changed to read: "House of Commons of the United Kingdom of Great Britain."

Mr. SPENCER: Why not make it simpler than that and substitute the words "British House of Commons"?

Mr. DUNNING: This is a British House of Commons.

Mr. MARCIL: As in the first rule we use the phrase "House of Commons of the United Kingdom of Great Britain," the same words should be applied later.

Mr. McLEAN (Melfort): It might be well to go the full length and adopt the suggestion of the hon. member for Quebec South, using the term "House of Commons of Great Britain and Northern Ireland".

The CHAIRMAN: So that the matter may be clear we had better have a motion.

Mr. POWER: I would move that this rule be referred back to the committee to ascertain what is the proper designation of the House of Commons to which we wish to refer.

Mr. EDWARDS (Frontenac): The point raised by the hon. member for Melfort is well taken. His suggestion covers the whole matter. Simply change the designation to "British House of Commons".

Mr. DUNNING: This is a British House of Commons.

Mr. EDWARDS (Frontenac): This is the Canadian House of Commons.

Mr. LAPOINTE: That is fine; we are progressing, both of us.

[Mr. McLean.]

Sir GEORGE PERLEY: Why not accept the suggestion that the Clerk ascertain the proper designation, and use that, whatever it may be?

Mr. LAPOINTE: That suggestion is good.

The CHAIRMAN: Shall the rule carry on that understanding?

Sir GEORGE PERLEY: The first rule would have to be amended in accordance with this so that the title might be correct in both.

Rule agreed to.

On amended rule 14—Order in committee of the whole.

Mr. BOYS: I offer a suggestion—I do not know that I have any deep rooted conviction in the matter—with regard to subsection 3, which provides that the chairman shall maintain order in committees of the whole House, deciding all questions of order, subject to an appeal to the House. We had yesterday an illustration of the waste of time involved in appealing decisions of the Chairman to the House. I do not want to interfere with the provision that disorder in committee may be censured only by the House on the receiving of a report thereof. But why should not an appeal from the ruling of the Chairman in committee of the whole House be taken to the committee rather than to the House? If this were done it would result in a saving of from half an hour to three-quarters of an hour, and at the moment I cannot see any reason this should not be done. In any of the ordinary select committees, any appeal which it is desired to take from the ruling of the Chairman is taken to the committee itself, which has charge of its own proceedings. Why should not the committee of the whole House also have charge of its proceedings and decide questions taken on appeal from the Chairman? There is always a fairly good attendance of members in committee and the same result would be obtained from an appeal to the committee as from an appeal to the House. The suggestion I make is that after the word "the", in the third line of subsection 3, there be inserted the word "committee" instead of "House", so that the subsection will read:

The Chairman shall maintain order in the committee of the whole House, deciding all questions of order subject to an appeal to the committee.

Mr. NEILL: I would suggest that the appeal be taken to the Speaker. The Chairman is appointed from year to year and sometimes he is not as familiar with the rules as is the Speaker. When his decision is

appealed from to the House the House frequently, from considerations of loyalty, sustains his decision, and in that way precedents are established. If his ruling were appealed to the Speaker the Speaker might very well overrule the Chairman without any great loss of dignity to the latter.

Mr. BOYS: There is a difficulty in that suggestion. We should have to go a step further, because I am sure my hon. friend would not want the committee to be bereft of all protection. I do not think he would want the Speaker to be absolutely in control of the committee, and for that reason we should have to provide for an appeal from the Speaker to the House in the event of his decision not being satisfactory. My only reason for offering the suggestion is a desire to save some of the time which at present is wasted. However, I have not any deep rooted conviction in the matter, although I do think there is no reason why an appeal from the ruling of the Chairman should not be taken to the committee of the whole House rather than to the House itself. Why should not the committee of the whole House have charge of its own proceedings as has any of the select committees?

Mr. SPEAKER: I take exception to the point of view of the hon. member for North Simcoe (Mr. Boys) and the reason is very obvious. Suppose there should happen to be disorder in committee of the whole House and that a member should persist in creating disturbance. I am of course merely supposing a case which fortunately does not occur often. Does my hon. friend think that the ruling of the Chairman and the vote of the committee upon that ruling would be sufficient to put an end to that disorder? I think not. If an appeal is taken from the ruling of the Chairman it must come before the House; and this because of the consequences that might be involved. If the Speaker is obliged to name the member who has been disorderly, the hon. gentleman can see the grave consequences that might ensue. The leader of the House would have to make a motion, the disorderly member would be admonished, and thereupon he would be committed to the care of the Seargent-at-Arms and brought to the bar of the House. Thereafter, as Mr. Speaker Anglin, one of my predecessors, once observed, "God knows what would happen". This is an old rule which has proved its usefulness in the past, and I think we should leave it to the House to see to the carrying out of such drastic measures as I now suggest, which now and then may be unavoidable. Otherwise the committee would not have the authority to deal with such a case as I am supposing.

Mr. BOYS: With great respect to His Honour the Speaker, I do not think the situation he refers to could very well arise. Let us take matters as they stand now. Suppose there is a limited attendance in committee and a question is to be appealed: the members are suddenly called in, and although they have not heard a word of what has taken place in committee they are called upon to pass judgment on the question. Those sitting in the committee, on the other hand, are in possession of all the facts; they know what has taken place, and they are in a better position to judge. I am not disturbing the closing sentence of the rule, relating to disorder. I am aware of the rule that provides that any member who is to be named can be named only by the Speaker, and I do not seek to alter that feature. However, as I say, I have no settled conviction on the matter; I was merely making a suggestion with a view to saving time.

Amended rule agreed to.

On amended rule 17C—Speaker to leave chair on Thursdays and Fridays.

Sir GEORGE PERLEY: It was decided the other day that rules 76, 77 and 78 even if not altered would come in after No. 15. It will be merely a matter of renumbering, but I thought it better to have it on record that these rules would come in in that order.

Amended rule 17C agreed to.

Amended rules 18, 19 and 20 agreed to.

On amended rule 21—No speaker to speak twice.

Mr. IRVINE: I want to offer a suggestion. There has been a slight oversight in the preparation of this amendment.

Sir EUGENE FISET: This is where the hon. gentleman should not speak at all.

Mr. IRVINE: That applies to my hon. friend as well. I sympathize with the desire to curtail the length of speeches to forty minutes, but that is not what I want to call the attention of the committee to. The new rule provides:

> No member, except the Prime Minister and the leader of the opposition, or a minister moving a government order—

The CHAIRMAN: My hon. friend is speaking of the new rule; amended rule 21 is now before the committee. Shall amended rule 21 carry?

Amended rule 21 agreed to.

New rule to be added after rule 21—Speeches limited to 40 minutes.

The CHAIRMAN: My hon. friend is in order now.

Mr. IRVINE: The new rule reads as follows:

No member, except the Prime Minister and the leader of the opposition, or a minister moving a government order and the member speaking in reply immediately after such minister, or a member making a motion of "no confidence" in the government and a minister replying thereto, shall speak for more than forty minutes at a time in any debate.

The suggestion I would make is that instead of merely saying that the Prime Minister and the leader of the opposition should be permitted this extra time, the leader of any recognized party or group should also be included, and I would ask His Honour the Speaker to give this matter his consideration. We have in this House a number of groups; it may be that in the near future they will melt away into the two old parties; I do not know, but I hope that will not be so. Even if that happens, a change of this kind would not affect the rule, while on the other hand if these groups become well-established there is no reason why the Prime Minister and the leader of the opposition should have the preference in this regard over the leader of any other group in this House. I would suggest the addition of the words, "or the leader of any recognized party or group in the House."

Mr. MARCIL: The objection I see is that there is no standard by which parties can be defined in this House. Last session I heard the hon. member for Labelle (Mr. Bourassa) declare that he was a party by himself. If that should be so, we will have sub-divisions of the Progressive party, we will have the Labour party and so on. I do not see how these parties could be recognized.

Mr. IRVINE: The word "recognized" would mean any part recognized by the Speaker as such. I do not suppose the Speaker would recognize an individual as a party, and I think there is a reasonable understanding in this regard. There is no doubt in our minds of what the word "party" means, and if the Speaker has given recognition to a group in this House, the leader of that group so recognized should be on a par with the Prime Minister and the leader of the opposition in this respect.

[Tte Chairman.]

Mr. HEAPS: I am opposed to this rule in its entirety; I think we should follow the British practice where, as I understand it, there is no rule limiting the length of speeches. In Great Britain the budget debate is finished in two or three days; in this parliament, where our budget has not the importance of a budget in Great Britain, the discussion lasts anywhere from two to five weeks. In Great Britain this is done by an arrangement between the whips, who decide upon a certain length of time for the debate to continue. This year we had the sordid spectacle of the different whips going around insisting that the budget discussion be prolonged, and they found difficulty in finding enough speakers to continue the discussion while that debate was proceeding.

I think the regulations of the House should be as elastic as it is possible to make them, and the moment we lay down hard and fast rules we will find great difficulty in maintaining them. I think we would find some difficulty in regard to the eleven o'clock rule, and I think this forty minute rule will work a great injustice to many members of this House. In the first place we find under this rule something which I believe is novel in British procedure; it recognizes different parties in this House. I have never heard of written regulations under which different parties were recognized in the British House of Commons; there may be some such unwritten understanding as we have here, but there is nothing in the regulations to cover the point, and we are departing now from a procedure which has been long established when we recognize two groups or parties only. I would much prefer that no such recognition be given, and that we try to carry out the spirit of the rules of the House and get through our business as expeditiously as possible with no rules at all. This year we have done fairly well; there has been a desire shown in all parts of the House to not unnecessarily prolong the proceedings, and what has happened? The debate on the speech from the throne called forth practically no discussion and in spite of the fact that at times the whips found difficulty in getting enough speakers, the budget debate lasted for only about ten days. If that debate could be finished this year in ten days, is there any reason why the same thing should not apply in other years? Is there any reason why the whips of the parties could not get together and say, "The budget debate will not take more than two weeks." Is there any reason why the whips of the two parties cannot get together on the speech from the throne and get it through in a few days? The different groups of the House could

choose the speakers whom they desire to have heard, representing their particular party. I think that would be more desirable than to have a written rule in our procedure which would allow the Prime Minister and the leader of the opposition to speak for an unlimited time.

Mr. EDWARDS (Frontenac): Would the hon. gentleman be willing to comply with the decision of the whips if they decided he should not speak?

Mr. HEAPS: I would be no more willing to comply with such a decision than would the hon. gentleman.

Mr. EDWARDS (Frontenac): I can quite frankly say I would not be willing to do so, and I am asking if my hon. friend would.

Mr. HEAPS: I would object to it, and that is why I am objecting to the limitation of speeches to forty minutes; in my remarks in this House I think I have only once exceeded that period. If time is being wasted in this House and if speeches are being prolonged, the government have a remedy in their hands, and I would suggest to the government and to the committee which framed these regulations that the British precedent be followed, and closure be moved.

Some hon. MEMBERS: No, no.

Mr. HEAPS: We would be following British precedent, and after closure is moved the speeches would be limited to twenty minutes.

Mr. COOTE: Does the hon. member think it would be fair to allow those who spoke in the first few days to continue for three or four hours, and to limit those who speak at the last to twenty minutes? Would it not be more fair to limit everyone to forty minutes, and make everyone equal?

Mr. HEAPS: That may sound very nice in theory but it works out differently in practice. Every member of this House does not speak on every question, but any member who does desire to speak should have the right to take more than forty minutes. I think we should follow the practice of the British House of Commons and let the whips agree on a certain definite time for which the discussion will last. As one of the members of this House, Mr. Chairman, I would be willing to get rid of the budget debate in one week, and I would be satisfied to see the speech from the throne finished in the same length of time.

Mr. McGIBBON: How much of that time would the hon. member want?

Mr. HEAPS: I did not catch the remark of the hon. member, and perhaps it is as well I did not; I do not suppose I missed very much. I think it would be well if we limited the time of discussion by arrangement; this might apply to what I believe are the two main questions which take up the time of the House, that is, the budget and the speech from the throne. On other questions I do not think lengthy speeches have been made; they have been rather brief and to the point. Personally I think that by fixing forty minutes as the time limit for speeches we are assuming a certain amount of control over the private members of this House and giving certain privileges to favoured members. I feel inclined to oppose the resolution in its entirety.

Mr. POULIOT: Will the hon. member be good enough to define what he means by a waste of time in speeches necessitating in his opinion the application of closure?

Mr. HEAPS: I certainly can do that. I hear such speeches in this House on Wednesday afternoons.

Mr. YOUNG (Saskatoon): I am very strongly opposed to long speeches and I am also very strongly opposed to this rule. I believe it is taking away from private members a privilege which should be preserved to them. Very often a member cannot say in forty minutes what he desires to say. But the difficulty is that there is so much repetition on various questions. That is where the time of the House is lost. I have noticed when estimates are going through that the most trival questions are asked and time is taken up by the hour—all of course, for the purpose of creating political propaganda. If we had a process of education along common sense lines in this House such a rule would not be necessary. If the sense of the House on this question was so strong that it would be recognized by every member such a rule would not be necessary. I for one offer my protest as a private member to the limiting of debate in this House.

Mr. NEILL: I realize from the way in which the House received the remarks of the hon. member for North Winnipeg (Mr. Heaps) that I am essaying an unpopular task. Nevertheless I join with him in opposing this rule. I consider it of such great importance that I propose to oppose it by every possible means I can so that it shall not be said hereafter that I at any rate was a party to the adoption of this rule. My hon. friend who has just sat down objected to it on the ground that it was taking away their privileges and rights from private members. The rule goes further than

that: It is taking away from the people of this country the right to have their wrongs or their grievances expressed in parliament.

To deal with the thing in itself, as it were, I support the views of the hon. member for Macleod (Mr. Coote) who asked why the right of reply to an unlimited extent be confined to only one member, the leader of a party in this House. Moreover even that arrangement might be abused by a little collusion between the government and some insignificant member.

Mr. FORKE: What does the hon. member mean by "insignificant member"?

Mr. NEILL: I should say "the member of any numerically insignificant group." Because there is no member in this House who is insignificant if he represents the wishes of his constituents. So far as a motion of no confidence in the government is concerned, the proposed new rule provides that unlimited speech shall be confined to the member making the motion and the minister replying thereto. Now, let us visualize for a moment. Say that one of the hon. members opposite, the member for Vancouver Centre (Mr. Stevens) gets up and makes a motion of want of confidence. It is imperative that somebody on the government side reply to him forthwith. But there are two hundred and forty-five members in the House, the life of the government is at stake—it may be going to go down—many members will want to speak; and surely it will not be suggested that the majority of the cabinet whose government is going down shall not have the right of reply for longer than forty minutes. Under this rule they would be precluded from making speeches beyond forty minutes. However, that does not worry me very much. If the opposition or the cabinet do not see the point of that there is no reason why I should worry. Now let me imagine there was a supposititious case in which a particular province was represented by only one man of a certain party in this House. Suppose the government of the day were putting through some deal extremely against the interests of that province. Suppose it was a gross gerrymander and we have heard of such cases, and it became the duty of that one miserable member to represent the interests of his province and to expose the situation. Why the hour glass would be turned upon him at the expiration of the forty minute period and he would be told to sit down.

Mr. SPENCER: What does my hon. friend mean by "miserable member?"

[Mr. Neill.]

Mr. NEILL: If I must make myself so plain I would say "miserable" in that condition. I do not suggest that my hon. friend is miserable or ever likely to be, but a member would be miserable who occupied such a position. Now I have heard it said that the government, the Speaker, the House would extend a member's privileges under such conditions. Not a bit of it. Somebody would get up and draw the Speaker's attention to the infraction of the rule and he would have to enforce it. So that the member who was the sole representative of his party in his province would have to bring his remarks to a close and he could only cover a few of the necessary points in the short space of forty minutes.

Mr. EDWARDS (Frontenac): Where is such a case possible?

Mr. NEILL: I would ask my hon. friend if he has such confidence in this government that he believes it would not be possible for them to carry out a gerrymander?

Mr. EDWARDS (Frontenac): I am asking where it is possible for only one man to be speaking for a province.

Mr. NEILL: Oh, I do not think that needs explanation. I have known of occasions where a whole province was represented by members of only one political stripe.

Mr. DUNNING: There is no Tory from Saskatchewan now. That is the situation you mean.

Mr. NEILL: Yes.

Mr. STEVENS: He is referring to the Yukon.

Mr. NEILL: At any rate I point out where you can go very far under such a rule. We have had an example of another sort quite recently. The hon. member for Vancouver Centre made a speech on the budget. Did any one of his opponents suggest on that occasion that he was obstructing, or unduly lengthening his remarks, or doing anything beyond making a fair statement on the important subject of the budget? The hon. member spoke for more than forty minutes, and yet under this rule when his time was up he would have been debarred from proceeding further and the House and the country would have lost the benefit of that speech.

Mr. LAPOINTE: His speech would have been just as effective.

Mr. NEILL: That is a matter of opinion. This speech had to do with the budget and I suggest that it cannot be dealt with in a forty minute speech. Allusion was made this

afternoon to the fact that Mr. Asquith, I think it was, in the British House of Commons dealt with an important subject in a thirty minute speech. But the conditions over there are not similar to the conditions here. In this country we go into far more necessary detail about local and provincial matters than they do in the British House of Commons, and while I desire to be loyal to the country of my birth I desire to point out that this is Canada and that we are Canadians, and that we should not always go to the mother country, where the conditions are very different from what they are here for examples in such matters.

Now, as the hon. member (Mr. Heaps) suggests, there is a remedy, and a very simple one, if there is abuse and the time of the House is taken up by long speeches, and that is to apply the closure. That is what it is for. We have a closure in existence now, rather a lengthy procedure, but it can be readily imposed. I know of a system of closure that is in force in the British Columbia legislature, which can be invoked in five minutes, and it is of the most drastic character. It is called moving the previous question. All a man has to do is to say "I move that the question be now put". It is not subject to debate, and the question is put. This system operates very effectively. We have a provision in our rules for putting the previous question, but it only results in preventing members from moving further amendments. The previous question in British Columbia immediately stops all debate and the question has to be put at once without further discussion.

At any rate these are the methods I would suggest, rather than doing away with the right of free speech. I defy any hon. gentleman—I may be wrong in this, but I will take a chance on it—who supports this rule, and a great many are going to do it, to give me an instance of any civilized government, except the very inferior ones, who have a system of limiting its speakers to forty minutes or any other period, and I would like to know the name of the civilized government which does not have some form of closure. Experience proves that it is desirable to have a form of closure, and not desirable to prohibit the free speech of hon. members. I think I heard the Minister of Agriculture saying, in an aside, "We are all progressing"—he did not say we are all Progressives, but that we are all progressing—but are we? If so, we are progressing backwards. This is a reactionary thing which I have never heard of before in this parliament. We are going back instead of forward. We are going to take away from the common people the right of expressing themselves in parliament. In the past people have gone to great length and have shed blood to get the right of free speech. I am sorry at times to have to listen to members with whose views I do not agree, which I do not relish, but these hon. members are in the same position with regard to my speeches. However, that is a small price to pay for the privilege of free speech and the opportunity afforded us to express our views and to ventilate once or twice a session, the grievances of the people we represent.

If it is necessary to have this restriction, I will test the feeling of the House by moving to add at the end of this rule the words:

Except on budget debate.

That would give an opportunity, once at least during the session, for a member to talk on any subject he likes, as long as he likes. I do not think that is an unreasonable thing, and the privilege would not be abused. The idea of this rule is to shorten debate. Will it do so? What will happen? If the opposition decide to obstruct a bill, instead of putting up ten members to speak for three hours each, they will put up a hundred men to speak for forty minutes each, and what would be the result? You cannot prevent obstruction in this way. I think it is worth while to put up with some boredom in this House, in order to preserve the right of free speech.

Mr. IRVINE: The hon. member favours the closure rather than a limited time for each speaker. Suppose half a dozen members of the House were prone to make long speeches, and each got up and spoke for five or six hours, then closure was put on, would that be better than giving a greater number of members an opportunity to speak twenty minutes or forty minutes.

Mr. NEILL: If, as I suppose, the hon. member would suggest that these men were going to make six hour speeches for the sake of obstruction, it would not make any difference how it was done.

Mr. MARCIL: The hon. member referred to the budget debate. That is one stage. Under our rules a member can speak forty minutes on the budget debate. The budget debate is followed by a resolution which is followed by a bill, and there are sixteen different opportunities, before the bill passes the House, for a member to speak forty minutes.

Mr. NEILL: I would like to see the speech of the leader of the opposition cut up into sixteen sections!

Mr. MARCIL: An hon. member could make sixteen different speeches.

Mr. SPENCE (Parkdale): Some hon. members are quoting precedents from other countries as to what we should do. We are in Canada, and in the House of Commons, and have a right to consider ourselves and need not go to other places for guidance. I am in hearty sympathy with the limit of forty minutes for speakers. There are few members in this House who cannot tell all they know in forty minutes. Many of them, including myself, can tell all they know in half an hour or possibly fifteen minutes. Every hon. member should be alive to the fact that time is money and should say as much as he can in as few words as possible. Hon. members take too long in prefacing their remarks. They think there is something in it. With few exceptions, I would say definitely that anyone who takes more than forty minutes repeats his statements, as the hon. member for North Winnipeg (Mr. Heaps) did a few minutes ago when I came into the chamber. He talked for a considerable time and said nothing, as I would be doing if I attempted to talk as he did. I think the curtailment of the length of the speeches will be beneficial and should be carried unanimously.

Miss MACPHAIL: I think any speech is better if it is brief. We suffer more in this House from long speeches than from any other cause. If a member could only speak for forty minutes, he would make his statement in a way people would understand what he was saying, and the speeches would be much better. When the speeches go beyond forty minutes, certainly when they extend to an hour or an hour and a half, no matter how fine they are, very few people care to listen to them.

In regard to the rules, they were framed and designed for two parties, the government and the opposition. That would be all right when there are only two parties. That is no longer the case, and it will probably not be the case in the future. The present indication is that there will be more than two parties in this House, and therefore I think we should cut out all exceptions. Why should the Prime Minister and the leader of the opposition have a right to harangue the House at length and others be precluded from doing so? I do not think we have any worse offenders than the Prime Minister and the leader of the opposition. Even their speeches —and I say it with all respect—would be very much stronger and better if made shorter. I think we should either cut out all exceptions, or add to the exceptions the leaders of the recognized groups in this House.

Mr. BROWN: I am also averse to cutting off debate or refusing the British-born privilege of expressing our views in this House. It is a pity that we should have to consider such a resolution in this House. But the fact is borne in upon us that a great deal of the time of the House is taken up with unnecessarily long speeches. It is not only the long speeches, but the frequent speeches. Consider the time members of the House are accustomed to occupy in discussing different matters. Some members seem to feel under an obligation to speak upon every possible subject that comes up in the House. We perhaps lose more time in that way than we do with the unnecessarily long speeches. I have noticed ever since I came into the House that much of the time of the House is wasted in committee of supply through a minister having to repeat his explanation of a particular item over and over again to different members dropping in. I think I have been as faithful in my attendance at the sittings of the House as any other member, and after listening to an explanation given by a minister I must confess I have felt a sense of annoyance when some other hon. member has come into the chamber half an hour later, and insisted on the minister repeating his explanation. Then perhaps another member will come in, and the same explanation has to be given all over again. I think a great deal of the time of the House might be saved if members who come in while estimates are being discussed would first find out whether the particular subject in which they are interested has not already been covered by the minister.

I am not going to say I am not in favour of this rule of limiting speeches to forty minutes, because generally speaking the ordinary member can give the meat of any matter within that time, but there is one consideration that we ought to take into account. If a member has prepared himself to speak on a given subject and has the matter well in hand, he naturally is prepared to cover it in a given length of time, but very frequently, as we all know, he is compelled to speak a great deal longer than he intended because of interruptions.

Mr. SPENCE (Parkdale): Interruptions can be allowed for.

Mr. BROWN: If a member is interrupted he has to use part of the time that he intended to devote to his prepared speech to go off into side-lines into which he is drawn by the interruptions, so if we decide to limit the speeches to forty minutes, I think we should go further and absolutely forbid interruptions when a member is making his speech. We cannot consider this matter simply from the standpoint of the speech the member is prepared to make. It would put a member in a humiliating position, after having prepared a well-rounded speech from start to peroration, to be compelled to stop before he had covered his subject in the way he was prepared to do.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL COMPANY

The House resumed from Tuesday, March 15, consideration of the motion of Mr. Chevrier for the second reading of Bill No. 78, respecting the Montreal, Ottawa and Georgian Bay Canal Company, and the proposed amendment thereto of Mr. Guthrie.

Hon. E. B. RYCKMAN (East Toronto): Mr. Speaker, when the debate was adjourned last Tuesday I was referring to the resolution to ratify the Petersen contract, because to my mind there are aspects of similarity between it and this proposed bill. The Petersen contract was entered into by the government in 1925. It contained a laboured preamble that the government intended thereby to secure control of ocean freight rates, but it was plain to anyone who read the agreement that in the final analysis such control would be passed over to Sir William Petersen. Of course, it sounded fine to say to the members of this House: Oh, you are voting to give the government control of ocean freight rates, to put an end to a shipping monopoly on the Atlantic. We struggled hard to impress upon the government that its claims were false and misleading, but they insisted that the contract must be regarded as almost inviolate. The then Minister of Trade and Commerce said: The contract is cast iron. The Prime Minister said: We never would have made the contract unless it entirely carried our judgment. What happened? Against our protest the contract was referred to a special committee. That committee laboured long over the matter and considering what was spent by the government and by those who were in attendance to give their views either for or against, probably, at least $250,000 was expended in connection with the reference. When Sir William Petersen could not get what he thought was secured to him by the contract, by reason of the fact that the government could not secure its ratification by parliament, not only was the contract killed but its rejection involved his death.

Now, I do not imagine for a moment that the promoters of this bill may die in the committee room. But what has happened in the course of their efforts to secure its passage through this House? Every member has had the bill put before him as a measure which might mean—I will put it that way—which might mean the construction of a canal in the Georgian bay district. Nothing of the kind is intended. The Minister of Railways (Mr. Dunning) so acknowledges. He told us on Monday night that the issue involved was power, not a canal. He used the word "canal" only once in the whole course of his address, and then not to suggest that it was even a possibility. If I can do nothing else, Mr. Speaker, I want to register a strong protest against hon. members being hoodwinked and made fools of by promoters who lead us to believe that they want one thing when in reality they want something entirely different. The Right Hon. Winston Churchill has described that practice as the policy of "hugger mugger," and this certainly is an application of it. And hugger mugger he defines thus. When you want something very badly you have a great chance of success if you can fix in the public mind something else which the public desires very much and which you use as a cloak to cover the object you are after yourself. When you have well camouflaged your object then you try as vigilantly as you can to obtain it, and you may find in the end that you get what you want. I say it is beneath the dignity of this House and of every individual member of the House that a canal should even be mentioned or the possibility of its existence mooted in connection with this bill. Yet we have heard member after member from Alberta, Saskatchewan and Manitoba dealing with the Georgian bay canal and telling us how much the freight rates were going to be reduced.

Mr. GARLAND (Bow River): I am sure the hon. gentleman does not wish to leave on the House an impression which possibly is not accurate. I do not think that any member from Alberta has supported the idea of building this canal.

Mr. RYCKMAN: The mistake, Mr. Speaker, is absolutely mine. Possibly the members from Alberta belong to one of the cleverest sections of the House, and they are not prone to errors of that kind. Certainly, however, members from Saskatchewan, Manitoba and Ontario who have been discussing this canal have suggested that as a result of its construction wheat would be moved at a cheaper rate, and they have also seen the vessels navigating this imaginary canal in less time and at less cost than other transportation lines operate. There are canals in Mars, so they tell us, and there are more chances of these members from Saskatchewan, Manitoba and Ontario sailing on those Martian water-ways than on the Sifton canal which they have been talking about. I therefore object to this legislation being promoted in this House on the basis of the canal to be constructed. There is of course, in the bill not one word that has obviously to do with electrical energy, but that is the whole object of the bill. The Minister of Railways (Mr. Dunning) said, "Oh, well, this bill has been renewed from year to year fourteen times. Is it not very strange that those opposing it so very vigorously now should not have opposed its last renewal?" Here again I for one have to make a confession, which is something I do not like to do. This bill absolutely fooled me. I thought, when it came before the House in 1924, that it was really intended to build a canal, or that at any rate somebody was lingeringly thinking of a canal. I do not believe there was any such object in view at that time, and I am the more confirmed in this opinion by the fact that the bill of 1924 contained a saving clause which protected the rights of the country. That clause is omitted from the bill now before us, and that omission leaves the bill absolutely one of power and not one that aims at the construction of a canal. That saving clause, which was enough to disarm anyone, provided that the government of Canada could, on one week's notice, take over the whole enterprise, assume possession of it, enjoy its property, and this by paying merely the value thereof. That clause, I find, is left out of this bill and the omission, I maintain, has made the power feature the only object of this legislation. If the promoters of the bill spend $50,000 they have nine years in which to lay hold of and control every horsepower of electrical energy that can be developed upon the Ottawa and French rivers, provided always that the provinces have not exclusive jurisdiction. The gist of the bill—and no one can deny it—is that the expenditure of $50,000 gives to these private interests, so far as the government of Canada is concerned, the right to develop all the power they possibly can in the nine years, to the whole extent of the 1,000,000 horse-power. Then what happens? The husk of the charter in the shape of the canal proposal falls away, and these interests are absolutely confirmed by our legislation in the sole control and ownership of that immense value in electrical energy. When we find a bill involving such consequences inimical to the interests of the country, it is our duty to administer a reproof to those who promote such a bill. It is our duty to defeat it rather than aid its progress through this House.

While I do not like even to mention the word canal as a possibility in connection with this legislation, I would point out that in 1914 there was appointed by the government a commission consisting of Mr. W. Sanford Evans and two other gentlemen to investigate the practicability of the whole Georgian bay canal project. That commission reported. I know very well the gentleman who acted as its chairman, a man who lives and has lived for a number of years in the west, who understands the wheat trade probably as well as any man in Canada and who is familiar with the transportation problems that face that trade. The report was made by the commission to the effect that this canal was not feasible and would never be an advantage to the farmers in the way anticipated by Sir Robert Perks and those who advocated the canal. It was further reported that nothing could be gained by a canal of this description even if it could be built, and the whole thing passed out of the picture. No reference has been made to that report by anyone now pretending to be interested in the canal. The minister did not refer to it when he spoke the other evening, and no member of the government, not one of the promoting party, has seen fit to controvert or even to mention the report of that commission. I say, therefore, that so long as that report stands unanswered, the possibilty of this canal becomes even more remote than it was before. And that is so far off that its distance would have to be measured, as great distances are measured, by so many light years—again reaching the regions beyond Mars.

Some of us were quite interested in what was said by the Minister of Railways (Mr. Dunning) the other evening. He has been criticized by the Toronto Globe, which as every one knows is not a paper which as a rule supports the Conservative party, for having played small politics in his address to the House, and I think he left a false impression upon the House which I hope to be able to correct. The lease entered into in 1921

was referred to and condemned, and I want to draw attention to the fact that after condemning the 1921 lease and after condemning in perhaps stronger terms the 1926 lease he told us that the government of which he is a member renewed that 1921 lease for five months, and it is in existence to-day. If that lease was improper, which was the impression given, then it was the duty of this government and of the minister who claims it was improper to cancel it at the first opportunity; that was not done and it is in existence at this very moment. This fact, it seems to me, robs the attack of the Minister of Railways of much of its sting. He went on further to say that the lease entered into in 1926 was ill-timed; why? Because it was negotiated about three months in advance of the time when the existing lease fell in. The minister left the impression that this was done because of the near election. The lease expired on December 1, the men concerned in that lease are at least business men, and three months was all too short a time in which to make arrangements to prevent cutting off the consumers of power in the provinces of Ontario and Quebec. But the minister said also that the lease of 1926 contained a clause which meant that $600,000 of the money of the people of Canada was given up for the benefit of the lessees. What does that mean? The lease runs for eighty years, which means about $7,500 a year and if the minister examines the matter he will find the reduction in the price of power was made in consideration of the term of the lease. The first lease was for five years and the second for eighty years, and a reduction was demanded and given to the consumers to the amount of $7,500 a year. The consumers got the benefit of it, but the impression left with the House was that the lessees really benefited.

In the next place the minister made a great play out of the alleged fact that the provinces of Ontario and Quebec were each to receive one-third of the rental, in case the rental was reduced. To put it more clearly, it will be remembered that there are two disputed claims to the power; the provinces of Ontario and Quebec have their rights and this Dominion is asserting its right. It is claimed that all the power belongs to the provinces but the Dominion has made an agreement whereby the rental is paid to it, and this clause which the minister attacked merely provided that in case Ontario and Quebec established their rights and exacted payment of the rental to them, by so much as the rental had to be paid to the provinces—the Dominion would abate. That is only fair; if it turned out that the provinces were by law entitled to collect the rent, the Dominion would have to be satisfied with that condition. There is no complaint that the provinces are not parties to this lease; it would not be artistic draftsmanship or conveyancing if they were parties to it. They make their separate arrangements and the Dominion makes its arrangement, but at the time these leases were entered into the provinces were consulted, and my information is that on the last occasion, in August of 1926, both the provinces of Ontario and Quebec were satisfied with and desired the lease which was entered into. The minister said, "Oh, a lease of this valuable property was given for eighty years, until the year 2006." That is only about twice as long as this charter has kicked around this House and further, if the principle of this bill is adopted on second reading it is not only giving away 300,000 horse-power until 2006, but it is giving away 1,000,000 horse-power to the Sifton interests forever. That, it seems, is what the minister advocates. The principle of this bill now before us gives the power to be developed under it, so far as the Dominion has the right to do so, to these interests forever; whatever is in their hands at the end of nine years belongs absolutely and forever to the promoters of this bill. When the matter is looked at in that way I think it will be seen that instead of an improvident lease having been made, those who acted with the consent and approval of the provinces were acting in the interests of the Dominion of Canada as well. If there is a disputed title; if the provinces claim all and that claim is sustained, in any case the Dominion of Canada will have a one-third interest. It may very well be that the courts and the Privy Council, if it goes that far, will decide the proportions should be different, but I fail to see how it can be proved that the provinces are not entitled to at least two-thirds of the water-power developed by what has been already held to be their water. Therefore it seems to me that the care taken by those acting at the time in the right of the Dominion of Canada has been absolutely justified by the results.

What happens now? We have the contract which was made by the Conservative government approved by the Liberal government; we have this question of power, with its uncertainty as to title and right; we have the government of the day saying, through the Minister of Railways, that this matter must be brought to the attention of parliament. It is now before parliament; it is certainly within the power of the government to investigate anything that may be in any

shape or form supposed to be not in accordance with the very right and justice of the case nor in the interests of the country. But what has not been done, and I submit should not be done, is to investigate, as the Minister of Railways has proposed, a question of this kind upon a reference to a standing committee in the case of a private bill. The promoter of a private bill is supposed to look after the passage of that bill, is he not? Why does the Minister of Railways wish to investigate public matters upon a private bill that has no reference on its face to the subject of the investigation? I submit that the reference would not be wide enough to include any such subject as the minister hinted he was anxious to investigate. The minister said that the matter only became of great national and provincial importance when it was found that this lease, the latter one, had been cancelled by the government. I submit that plainly that is not the reason why such newspapers, flaming evangels of the Liberal cause, as the Ottawa Citizen, the Toronto Globe, and the Brantford Expositor are telling this government that at the first opportunity this bill should be thrown out of the House. And newspapers in the provinces of Quebec and Ontario, as well as in all parts of Canada, have said that this bill should be given no consideration whatever. I cannot understand how anyone living in the province of Ontario who has been accustomed to hear what is said by men who have benefited from the development of hydro-electric power in the province could imagine for a moment that the people of that province would brook any interference at the present time with what they consider their rights to power and the further development of power. There is no county in the province of Ontario except possibly, and only possibly, the two very far eastern counties, and I would not even except them, where anyone can stand up and say that he is opposed to what has been accomplished by the province of Ontario in the development of hydro-electric power. They want to see that good work go on, they are determined that it shall go on; and no question of party politics, no public issue that I know of, no other issue of any kind, ranks in importance with the determination of the people that hands shall be kept off the development of power in the public interest. That is the reason for my opposition to this bill.

I object to the bill in the first place, because it is false and misleading in character as I have explained. I object to it in the second place because it is against the interests of the Dominion of Canada so far as the federal authority has the right to deal with this power. I object to it in the third place because if the Dominion does insist that it has a claim to this power, it will mean that litigation will take place, time will be consumed, and money will be expended and I believe not to the benefit of the people. I object to giving this bill a second reading also because the provinces of Ontario and Quebec, as I have said, are united in opposing it. I am told that Premier Taschereau of Quebec has intimated to-day that he stands wholeheartedly with the premier of the province of Ontario against this legislation. If that is the case, and the government can easily ascertain the fact, why should it not respect the will of the people? How often have we heard declarations from hon. gentlemen opposite that the will of the people ought to be allowed to take effect. I say that the overwhelming will of the people is against this bill, is against giving it a second reading.

In conclusion I want merely to read a short extract from the Toronto Globe of to-day, to the following effect:

> But does the Georgian Bay Company think for one moment that members of the Canadian parliament are so stupid as to be misled by the stress placed on the canal feature of the charter? Does it not realize that everyone knows that no corporation will sink millions of dollars in an enterprise which, on the face of it, cannot be a financial success? So why does it not come out in the open and say that it wants the people's power rights, which would make the charter worth hundreds of millions of dollars, and without which the charter would be useless?
>
> The people know this, the members of parliament know it, the ministry knows it. The question is not whether the Sifton interests shall get authority to build a canal, but whether they shall get the power; and on this there can be no compromise. They cannot get this power unless the government throws the weight of its votes and influence with them. Does the government dare do it? Will Mr. King risk the honour of the Liberal party and the political life of his Ontario ministers and members by thwarting the expressed wish of the people of this province? Would his chief cabinet minister, the Minister of Finance, who has rightly earned the confidence of the country for honesty and rectitude, permit the heritage of the provinces to be diverted to private interests? Would any cabinet minister at Ottawa tolerate such an abuse of public rights?
>
> The day has passed when the people's interests can be disregarded with impunity. The sooner the federal government lets the electors know that it realizes this, the sooner will it clear itself of the suspicion which now hangs over it in the matter of a great public utility franchise.

Mr. M. N. CAMPBELL (Mackenzie): I presume there is very little I can add to the discussion which has already taken place on this bill, but I fear, Sir, I would be negligent in my duty as a member of this House and

I would not be true to the responsibility I owe to my constituents did I not place myself on record as being opposed to the measure that we are now considering. I have frequently during this debate heard arguments from across the way that, whether we are in favour of the bill or not, no harm could come by sending it to a committee, that we should at least be fair and permit the bill to go to a committee and there hear all the arguments for and against it. It seems to me a rather ridiculous thing that if we are opposed to the very principle of the bill, if we are opposed to the very principles of granting water-powers to private interests, we should provide a means of taking up the time of members by sending the bill to a committee. I can hardly conceive of any member who really objects to that principle being in favour of taking that course. To my mind if one objects to that principle now is the proper time to raise the objection. Therefore I cannot understand the argument or the line of talk we have heard so much in this debate to the effect that whether we are in favour of the bill or not we should at least permit it to go to committee.

Now, Sir, my reasons for opposing this bill are, in the first place, because the water-power will be required by the people of Ontario. Of course it can be said, and it has been said in this debate, that whether these water-powers be developed by the Ontario Hydro Electric, or whether they be developed by private interests, the people will have the use of the power just the same. But, Sir, there is a vast difference between a public utility owned and controlled by the people of the province of Ontario, and one in the hands of a group of capitalists who will make all the money out of it they possibly can, and assess industry, and assess the householders who are obliged to use the power, all the traffic will bear. The Ontario Hydro Electric Commission now control, I understand, about 900,000 horse-power, and they have an investment of $240,000,000. On this basis it is authoritatively estimated that the 1,250,000 horse-power that this bill would give to these private interests would be worth a capitalization of not less than half a billion dollars, an enormous sum. It is proposed to put into the hands of these private capitalists the power to assess the people of Ontario and Quebec for all time to come, and to hinder in various ways the development of industry in those provinces. Of course the argument is used that the Quebec share of this would, under the policy adopted by the provincial government, be handed over in any event to private interests. But that is not our concern; our business is to deal with this matter on our responsibility as the House of Commons of Canada. Once those water-powers are turned over to the provinces we have nothing more to say. If the Quebec government desires to turn those water-powers over to private rather than public interests, that is the business of the people of that province. On the other hand, if the Ontario government, representing the people of that province, desire that the Ontario Hydro Electric Commission should control this power, that is their business, and it is not for us to put anything in their way.

The Ontario legislative assembly has put itself on record unanimously as being opposed to this bill. Liberals, Conservatives and Progressives have joined to the last man in the Ontario legislature in opposing it. Ottawa is a city right on this wonderful waterway by which the enormous quantity of wheat we heard about was going to be transported to the Atlantic, a city, one would think, that would benefit greatly by the development of this canal. Yet we find the council of the city of Ottawa unanimously condemning this proposition and passing a resolution to that effect.

We have heard frequently during this debate that the western farmers are in favour of the construction of this canal. How often have we heard that old cry! Whenever some privileged interest wants something from this House, it is always for the benefit of the western farmer, and he is frequently invoked to support it. I would call on any of these hon. gentlemen who use that argument to show me a single instance, to quote a single statement by any one representing any body of farmers, or by any body of farmers in western Canada, showing that they have placed themselves on record as being in favour of the construction of this canal. The farmers of western Canada realize that we have already spent enormous sums of money on transportation. In addition to the already expensive canal system that we have from the head of the lakes to Montreal, we are now opening up the Hudson bay route. Some years ago we spent $170,000,000 on a transcontinental railway designed for the express purposes of giving the western farmers the shortest and best possible route by rail to the sea. But we are effectively prevented from using that route. So far as actual effect is concerned, the government of this country, or the Board of Railway Commissioners, or whoever is responsible, might just as well have built a brick wall across the transcontinental in order to prevent us from using it.

Nevertheless in spite of that we propose to spend an enormous sum of money in developing another route to the sea.

Of course we have heard frequently from protagonists of this bill that no public money is involved; that a group of private capitalists are going to construct this canal; that they are going to put up all the money. But it is really immaterial whether we provide the money out of the public treasury for the construction of this canal or give them water-powers worth half a billion dollars. I would much rather see a company come to parliament and ask for a subsidy to construct a waterway of that nature, because then we would know just what we were dealing with.

Of course, that is all on the assumption that there is going to be a canal. I think, however, it is generally understood that this is not the purpose of the promoters at all; that they will never construct a canal; the only object to be served is to obtain control of these valuable water-powers. I wonder if all hon. members realize the relationship that exists to-day between water-power and industry. I wonder if they realize the dominant position that in the future may be held by Canada in the markets of the world in regard to manufactured goods. In another twenty-five years, if we retain these water-powers and use them wisely and judiciously so that industry will be able to obtain the cheapest possible power, we are going to put our manufacturers in a position almost to control the markets of the world, because every day it is becoming more and more obvious that the country which a quarter of a century from now controls its own water-powers will hold a dominant position in the markets of the world in regard to manufactured products. Therefore, Canada's attainment of that proud position in another twenty-five years will be determined by whether or not we decide to conserve and hold these water-powers for the benefit of future generations. We are legislating to-day not for those who are here at present, but for countless millions of Canadians yet unborn, Canadians who will look back and either condemn or bless us according to the way in which we handle this great heritage that should be preserved for our children and our children's children.

Several hon. members from Manitoba have placed themselves very strongly on record as being in favour of this bill. Of course that is not a difficult matter to explain when one goes back to western Canada. It can be said that after all we were dealing with something that was an issue in Ontario. It would not be an important matter to tell my constituents that we gave away water-powers in that way in Ontario. The issue would not be a direct one there; but to be fair and to look at this question from a natural standpoint, I would ask some of these hon. gentlemen from Manitoba to change the geographical description in this bill and to make it apply to the northern part of their province. Let us imagine to-night that we are considering a bill which proposes to canalize the Nelson river to its mouth. That ambitious project was at one time actually discussed and very seriously considered in the city of Winnipeg. The idea was to make Winnipeg an ocean port, and it was believed that the water-power that was on that great river would more than pay for the expense of canalization; that Winnipeg would then be an ocean port, and that we could deliver our grain from the city of Winnipeg by water right to the open sea. That was the ambitious project that was considered about forty or forty-five years ago in the city of Winnipeg. After all it is not such a dream and indeed some time in the future it may come true. Engineers sent out there by the Dominion government have estimated that there is no less than 6,000,000 horse-power capable of being developed on the Nelson river. That river, as we know, is one of the greatest in the world, and its vast potentialities to the province of Manitoba can hardly yet be estimated, but some day in the future that water-power will be harnessed, and it will be developing countless industries in the province of Manitoba. It will be delivering power to the farmers of the province and to the householders in the small towns, and it will put the province of Manitoba in an entirely different position from what it occupies to-day in regard both to industry and agriculture. Indeed, I think the time will come, and perhaps before very long, when the city of Winnipeg will be one of the greatest manufacturing centres on the North American continent. That seems a dream to-day, but with these immense water-powers right at her door, and with the newer transmission developments that enable the movement of power over long distances without serious loss, it seems to me that the day will come, and before very long, when the city of Winnipeg will be one of the greatest manufacturing centres on this continent. When we come to the day when we shall need all these water-powers developed, if they have been already coralled by private capitalists, who will simply charge all the traffic will bear, what is that going to mean to the province of Manitoba? We are either

going to develop enormous industries there, or with these water-powers in the hands of private capital industry will be stifled from the very beginning. I would appeal to my hon. friends from Manitoba just to visualize the effect of this bill as applied to their own province, as applied to those enormous water-powers on the Nelson and Winnipeg rivers, and let them imagine for one moment the wave of popular indignation that would sweep not only over the province of Manitoba but over the whole of the west if there was any attempt on the part of this parliament to alienate those resources for all time to come. I ask my hon. friends to take that into consideration before they vote to send this bill to the committee.

I say again that I am opposed to the very principle of this bill, and that being so, I can see nothing to be gained from sending it to the committee. Therefore I intend to vote against it.

Mr. E. R. E. CHEVRIER (Ottawa): As it is just approaching nine o'clock—

Mr. STEVENS: I rise just to ask Your Honour one question. The hon. member for Ottawa (Mr. Chevrier) is the mover of the main motion, and would naturally have the right to close the debate. I want to ask Your Honour, is he exercising that right now?

Mr. CASGRAIN: He has the right to speak. There is an amendment before the Chair.

Mr. SPEAKER: The hon. gentleman is entitled to speak on the amendment.

Mr. STEVENS: And again in closing the debate?

Mr. SPEAKER: Yes.

Mr. STEVENS: I am not objecting at all. I merely rose to ask Your Honour's ruling.

Mr. CHEVRIER: There is now before the House the main motion and the amendment thereto, and as I understand the rules, Mr. Speaker, I have the right to speak upon the amendment, and again upon the main motion. As it is now approaching nine o'clock, and as my remarks will be rather extended, I should be glad, Mr. Speaker, if you would call it nine o'clock and adjourn the debate until Monday.

Mr. SPEAKER: Mr. Chevrier moves that the debate be now adjourned. Is it the pleasure of the House to adopt the motion? Carried, by unanimous consent.

Motion agreed to and debate adjourned.

PRIVATE BILLS

SECOND READINGS

Bill No. 66, to incorporate Gatineau Transmission Company.—Mr. Fontaine.

Bill No. 69, respecting Dominion Electric Protection Company.—Mr. Marcil.

Bill No. 106, to incorporate The Premier Guarantee and Accident Insurance Company of Canada.—Mr. Smith (Stormont).

Bill No. 107, respecting the Sun Life Assurance Company of Canada.—Mr. Cahan.

Mr. SPEAKER: In order to meet the wishes of many hon. members and to save time I will, if there is no objection, just read the numbers of these two pages of divorce bills, which can be given a second reading en bloc, on division, of course. They are Nos. 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104. It is moved by the hon. member for East Toronto (Mr. Ryckman), seconded by the hon. member for West Algoma (Mr. Simpson), that these bills be now read a second time. Is it the pleasure of the House to adopt the motion? Carried.

Mr. LAPOINTE: On division.

Bill No. 81, for the relief of Amy Humphrey Lowe.—Mr. Rennie.

Bill No. 82, for the relief of Erik Herman Delling.—Mr. Young (Toronto).

Bill No. 83, for the relief of Samuel Stanley McNeely.—Mr. Lang.

Bill No. 84, for the relief of Edna May Stevens.—Mr. Jacobs.

Bill No. 85, for the relief of Beatrice Maude Cammell.—Mr. Ryerson.

Bill No. 86, for the relief of Stanley Moorhouse.—Mr. Casselman.

Bill No. 87, for the relief of Blanche Evelyn Parkinson.—Mr. Jacobs.

Bill No. 88, for the relief of Lillian Franklin Boddy.—Mr. Stinson.

Bill No. 89, for the relief of Ninna Louise Bryant.—Mr. Edwards (Ottawa).

Bill No. 90, for the relief of John Thomas Fray.—Mr. Casselman.

Bill No. 91, for the relief of Cornelia Mosca Cristoforetti.—Mr. Anderson (Toronto).

Bill No. 92, for the relief of Florence Emaline Hind.—Mr. Edwards (Ottawa).

Bill No. 93, for the relief of Dorothy Helen Elliott.—Mr. Church.

Bill No. 94, for the relief of Myrtle Blanche Weeks.—Mr. Casselman.

Bill No. 95, for the relief of Dorothy Olinda Tew Phillips Lawson.—Mr. Edwards (Ottawa).

Bill No. 96, for the relief of Nelson Douglas Longfield.—Mr. Preston.

Bill No. 97, for the relief of Susanah Ivy Y. Cave.—Mr. Harris.

Bill No. 98, for the relief of James Arthur McNish.—Mr. Garland (Carleton).

Bill No. 99, for the relief of Elizabeth Maud Maitland.—Mr. Hepburn.

Bill No. 100, for the relief of Agnes Seeds. —Mr. Casselman.

Bill No. 101, for the relief of James Sharkey. —Mr. Edwards (Ottawa).

Bill No. 102, for the relief of Lawrence Raymond Sinclair, otherwise known as Lawrence Reginald Sinclair.—Mr. McPhee.

Bill No. 103, for the relief of Ruby Pearl Northam.—Mr. Young (Toronto).

Bill No. 104, for the relief of Leila Beecher Smith Kerman.—Mr. Young (Toronto).

Bill No. 110, to incorporate the president of the Lethbridge stake.—Mr. Jelliff.

Bill No. 112, respecting the Bronson Company.—Mr. Edwards (Ottawa).

Bill No. 116, to incorporate "La Congrégation de Saint Dominique du Tiers-Orde enseignant."—Mr. Raymond.

Bill No. 120, respecting Joliette and Northern Railway Company.—Mr. Denis (Joliette).

Bill No. 143, to amend an act respecting the Brandon, Saskatchewan and Hudson's Bay Railway.—Mr. Thorson.

Bill No. 144, respecting the Midland Railway Company of Manitoba.—Mr. Thorson.

Bill No. 145, to incorporate Thousand Islands International Bridge Corporation.—Mr. Edwards (Ottawa).

Bill No. 153, respecting the Baptist Convention of Ontario and Quebec.—Mr. Edwards (Ottawa).

JOHN E. RUSSELL COMPANY, LIMITED PATENT

On the order:

Second reading of Bill No. 117, respecting a patent owned by the John E. Russell Company, Limited.—Mr. Chevrier.

Hon. H. H. STEVENS (Vancouver Centre): I shall have something to say on this patent bill, Mr. Speaker.

Bill stands.

JAMES MCCUTCHEON COLEMAN PATENTS

On the order:

Second reading of Bill No. 118, respecting certain patents of James McCutcheon Coleman. —Mr. Jacobs.

Mr. STEVENS: This is another patent bill, Mr. Speaker, on which I shall have something to say.

Bill stands.

[Mr. Speaker.]

CHESTER EARL GREY AND AAGE JENSEN PATENT

On the order:

Second reading of Bill No. 148, an act respecting a certain patent owned by Chester Earl Grey and Aage Jensen.—Mr. Jacobs.

Mr. SPEAKER: Is this bill opposed?

Mr. STEVENS: On this patent bill also, Mr. Speaker, I shall have some remarks to make.

Bill stands.

RULES OF THE HOUSE

CONSIDERATION OF REPORT OF SPECIAL COMMITTEE

The House resumed consideration in committee of the report of the committee on rules—Mr. Johnston in the chair.

The CHAIRMAN: When the committee rose at six o'clock we were considering the new rule to be added after rule 21, limiting speeches to forty minutes. Mr. Neill had moved to add to this rule the words, "except on a budget debate". Shall the amendment carry?

Some hon. MEMBERS: No.

Mr. NEILL: Might I take this opportunity to correct a slight misunderstanding that occurred this afternoon between myself and the hon. member for Frontenac (Mr. Edwards)? He asked me if I could think of a situation where there would be a province with only one representative, and I did not catch his question. I was referring to a case where there might be sixteen members from a province, fifteen of one particular stripe of politics and the other of the opposite stripe, that the party to which the fifteen adhered might bring in something prejudicially affecting the interests of the province, and that the duty of combating the proposal would devolve on that one representative. I was not referring to a case like the Yukon.

In defence of the proposed new rule an hon. member explained this afternoon that there were no less than sixteen opportunities to speak on the budget. If you multiply sixteen by forty you get a total of ten hours and forty minutes, if a member took advantage of his opportunity. Where is the saving of time? In the one case he makes sixteen speeches consuming ten hours and forty minutes, but in the other case his physical limitations would stop him long before he had spoken for that length of time. If it will not make any difference, why pass the rule?

Mr. MARCIL: A money bill cannot be passed two stages at the same sitting without unanimous consent. So at one sitting a member could speak forty minutes and repeat his performance the day after until the bill was disposed of. Consequently I do not think we are curtailing a member's right in any way. This simply means that he cannot speak for more than forty minutes at a time.

Mr. NEILL: I appreciate the point made by the hon. gentleman, but dividing a speech into sixteen sections seems to me something like dividing your prayers into sixteen portions. It has been suggested that this new rule will shorten debate and stop obstruction. Will it? We have an instance at the present time in the opposition to the Georgian bay canal bill. I do not think I can be accused of imputing improper motives by terming the opposition "obstruction", because the hon. member for Toronto Northwest (Mr. Church) said more than once in the course of his speech against the bill: "I am here to talk it out."

Mr. CHAPLIN: Did you ever do that?

Mr. NEILL: Sure—when I thought the occasion justified it.

Mr. CHAPLIN: That is what we are doing in this case.

Mr. NEILL: I am not objecting to hon. members opposite taking advantage of the rules; that is their privilege. But supposing the speeches had been confined to forty minutes—and most of them were made within this time—it would not have prevented obstruction. It would only mean putting up more men each to talk forty minutes instead of a few occupying the attention of the House for a hundred minutes each. It would be something like the Irishman who pondered whether he would save a million dollars in one year or accomplish the same purpose by saving one dollar a year for a million years.

I heartily agree with the remarks made by my hon. friend from Lisgar (Mr. Brown) when he put his finger on the cause of a good deal of waste of time in connection with the estimates. I have noticed exactly what the hon. gentleman has described. A minister will patiently explain an item half a dozen times, and then someone who has not taken the trouble to be in his seat saunters in and starts the thing all over again. If the minister, somewhat harrassed, answers sharply, that member immediately begins to whine and complain how difficult it is to get a civil answer to a civil question. There are other difficulties. A member speaks for a minute or two and sits down and someone else jumps up and discusses a totally different phase of the subject. More time is wasted in that way in committee than in reasonably lengthy speeches.

As regards the forty minute proposition, as the hon. member for Lisgar pointed out, no allowance is made for interruptions. Give a man a couple of untenable points of order and a couple of irrelevant questions that throw him off the track and you waste so much of his time that his speech will not amount to very much. It may be said that allowance will be made for this, but it is not expressed in the rules. If it were, matters would be different. A man might raise a point of order on very slim grounds and so take up a good deal of the time of the member speaking. Someone might see a fancied insinuation in the speaker's remarks and raise a point which might consume fifteen minutes. Someone else asks a fool question that takes up ten minutes or more. It may be contended, of course, that no one is bound to answer; but there are circumstances under which a man is bound to do so if he does not want to rest under an undeserved odium. Suppose a member were advocating a certain railway line and someone asked, "Is it not a fact that you are being paid by the railway company to promote this bill?" Can that member allow such a question to pass unheeded? Of course not; if he did the newspapers next day would come out with a headline, "Member accused of being paid servant of company and sits dumb under accusation". There are occasions, I say, on which a man, either through courtesy or of necessity, must reply to interruptions. Allow four such interruptions as I have suggested—and there is nothing abnormal about the suggestion, for these interruptions do occur—and how much of the forty minutes has he left?

The closure has been advocated, and it is said that is even a more extreme form of preventing debate. But there is this difference between the closure and the method proposed in this rule: the restriction of free speech by means of curtailing the time allotted to any member is imposed automatically by this rule, whereas in the case of closure notice must be given by the government, who must assume the responsibility before the country. If the government abuse the closure method, they must answer to the people. There is therefore no danger in that direction. As a matter of fact there is no record in any of the countries in which the closure is practised of this method having been seriously abused, and that for the very reason I mention, of the responsibility which the government assumes

in imposing it. This little private rule of ours, however, would be invoked automatically without any responsibility on the part of the government or of any member of the government.

I come now to another point of interest apropos of the situation. Let me ask hon. members from the maritime provinces what they consider the most important piece of legislation before parliament this session. Is it not the matters involved in the Duncan report? Would those hon. gentlemen like this resolution to come into force at once, every one of them being limited to a forty minute speech on that important report? That, I think, is a good illustration of the danger I am pointing out in connection with a rule of this kind.

Mr. MacLAREN: We will accept these regulations in toto to-night.

Mr. NEILL: Is the hon. gentleman willing to accept them?

Mr. MacLAREN: Yes.

Mr. NEILL: Does my hon. friend speak for the whole party?

Mr. MacLAREN: I was not asked to speak for the party. The hon. member wondered whether anyone from the maritime provinces would be content to deal with the Duncan report under the forty minute limitation. My reply is, I am prepared to accept all these regulations in toto to-night.

Mr. NEILL: Then I apologize to the hon. gentleman. I gave him credit for more devotion to his province than he appears to have.

Mr. MacLAREN: The case of my province is so clear that I can state it in fifteen minutes.

Mr. NEILL: I foresee another result which will follow from this rule. The rule will lead to speeches being written out and rattled off as speedily as possible, and in this I anticipate a great advantage to the hon. member for Fort William. Why should that hon. member be given an advantage over all the rest of us? It is to handicap those less ably endowed than he, and it is not fair. There should be some sort of handicap imposed upon him. Again, Mr. Chairman, it is a notorious fact that the best speeches are not those that have been written out and that are read off. Most of the best speeches are delivered from notes, or without any such help at all.

Mr. LAPOINTE: And they are not the longest, either.

Mr. NEILL: They are often not as long as the others. Now, how are we to ascertain how long any given speech must be in order to come within the compass of the time allowed? The only way that can possibly be determined is for the member to have his speech typewritten and then read off to someone who holds a stop-watch to time him. Will the stenographic staff be equipped with stop-watches, and shall we be obliged to read our speeches to the stenographers in order to ascertain whether they can be crammed into thirty-nine or forty minutes? And will there be any extra compensation to the staff for the added work in this direction? Why, Mr. Chairman, the result will be simply this: either this rule will be abused or it will be ignored altogether. I do not know what will happen, but either of these things will be the result. The chances are that as time goes on the rule will be practically ignored, and if that is the case, what is the use of adopting it. At any rate, I predict one or other of these consequences. An hon. member reminds me that my time is nearly up. Well, for once in my life let me exceed the time limit.

I am perfectly serious about this subject, notwithstanding that it has its humorous aspect. There will be a reaction in the country to the imposition of such a rule as this. The people will have a feeling something of this character: "We sent these men to Ottawa to represent us and express our views. We paid them to go there and speak for us"—because after all, to put it bluntly, we are paid to come here—"and now they are shirking their responsibility." That is not true, I know, but that is what the people will fancy. I say, there will be a reaction to this rule and we shall be suspected of shirking our responsibility.

Mr. ADSHEAD: Does the hon. member assume that members who do not speak forty minutes necessarily shirk their responsibility?

Mr. NEILL: No, perhaps they serve their purpose by listening. As Milton says, "They also serve who only stand and wait." I suggest, Mr. Chairman, that we could better deal with the problem by an appeal to our dignity, to our esprit de corps. I have not the resolution before me, but it is in my recollection that years ago a motion was passed in this House with reference to lengthy speeches containing voluminous quotations and involving a waste of time. This practice was deplored and the resolution went on to recommend to members that they abstain from the propensity to being so long-winded. It did have the desired effect on those members to whom it was addressed and who have since ceased to belong to the House. I suggest an appeal

to the common sense and the sense of dignity of the House. Let hon. gentlemen try to cut down the length of their speeches. An appeal of that sort, I am sure, would be more effective than any hard and fast rule such as is now proposed. What we should be guided by in this connection is what has characterized the British constitution, which is founded almost entirely upon precedent rather than upon the letter of any rule—precedent broadening down to precedent. The statement was made not long ago that if we endeavoured to put into legal language the bonds that bind the dominions of the empire together, it would be exceedingly difficult to secure unity. That is true, and we should try to keep it in mind. We are trying to make hard and fast rules when it would be better to leave it to the good sense and judgment of the members of the House. Are we going to accuse ourselves of being lacking in good sense, good taste and good judgment? The amendment I have proposed is very simple; if I might explain it, it is intended to allow members to speak as long as they think necessary on only one occasion during the course of each session; that is, on the budget. The budget covers a large number of subjects, and I do not think the dignity of parliament will be at all endangered if once in the course of each session a member is allowed to speak as long as he wishes. If we find that this still materially handicaps parliament we can change it another year, but I would suggest that we are passing a lot of very drastic rules to-day some of which we do not understand and will not appreciate until later on, and I think we are going too far altogether when we limit the right of free speech.

Mr. MANION: I am going to take the liberty for a few moments of giving the reasons why I range myself in this matter beside the Minister of Justice and others who served on the committee in favour of forty minute speeches. It is not, as my hon. friend has said, because I ordinarily speak so rapidly, but because I believe it would enhance the value of our debates if they were boiled down. Someone has well said, and it has often been repeated, that brevity is the soul of wit, and I do think that most of our speeches would be improved by being shortened and by doing away with a lot of these excrescences of which we are all guilty at times, particularly if we have not given proper time to the preparation of our remarks.

This afternoon as I listened to the debate without participating in it, I remembered having read some years ago a book by Lord Curzon on parliamentary eloquence, which I have since looked up to check my memory. In that book the author discussed eloquence from the speeches of the different speakers he had heard and some which he had just read, and he gave as one of the three greatest masterpieces of English eloquence the Gettysburg speech by Lincoln, which has been quoted again and again as perhaps the greatest masterpiece of eloquence in the English language. Some years ago I timed myself in reading that speech, and I find that it takes about a minute and a half to read it all.

Mr. NEILL: But we are not all Lincolns.

Mr. MANION: No, we are not, but I do not know that my hon. friend had to say that. I remember that the author quoted at the same time what he considered the three great masterpieces of literature, two of them speeches by Lincoln and one a speech by William Pitt. The second speech by Lincoln was his second inaugural address, which was very brief, while the masterpiece by William Pitt consisted of only three lines. When great master pieces of eloquence can be made in such a brief time, it seems to me that forty minutes should be long enough for those of us who, like my good friend from Comox-Alberni (Mr. Neill) are not Lincolns. We should be happy to take less than forty minutes even, and so boil down our addresses. It seems to me that we might even go further in this resolution, and put some time limit on the debates. When we take a month or six weeks, as has been the case in a number of the eleven sessions I have been in the House, in debating either the speech from the throne or the budget, I think we are taking altogether too much time; I think we might well make the limit a week or ten days in a dress debate of any kind. However, that is not before us at present, and I do not intend to press it, but I think everyone who has been in this House for several sessions will agree that on those occasions when the closure has been put in force and speeches have been limited to twenty minutes, we have heard addresses of the very best type, cut down to that length of time.

Since my good friend from Comox-Alberni took me into account, Mr. Chairman, I just wished to place myself on record as against his amendment and as favourable to the report of the committee, because I think if we can lessen the length of our speeches, cut down the duration of the sessions and make the sacrifices of public men a little less than they are at present, we will build up the whole character of our parliamentary institutions.

Mr. EDWARDS (Frontenac): I was very much disposed to oppose the adoption of this rule, but felt that it would be useless to do so after the hon. member for Comox-Alberni (Mr. Neill) spoke in opposition to it, because in opposing it he has given a very good demonstration of why it should be adopted. It took the hon. gentleman twenty-five minutes to express his views in respect to this question, and I can understand why he particularly does not want any limit placed on the budget debate. If it takes him twenty-five minutes on a little rule like this it would take him about twenty-five weeks to express his views on a subject like the budget. The hon. gentleman suggested that this limit should not apply to the budget debate and as I understood him his reason was that he is in a class by himself from the province of British Columbia, so far as the budget is concerned. He therefore thinks that he in particular should have a little more latitude than other people.

Mr. MANION: It is twelve to one.

Mr. EDWARDS (Frontenac): Yes. Well, if you apply that principle, and accept the argument that these various groups should be recognized, the hon. member for Comox-Alberni would be able to speak on the budget as long as he pleased, because he is the only one from British Columbia holding the peculiar views to which he subscribes. The hon. member for Southeast Grey (Miss Macphail) should then have unlimited time also, because she represents all the women in the Dominion of Canada.

I was rather struck with the argument of the hon. member for North Winnipeg (Mr. Heaps), who argued strongly against this forty minute rule. The way he would handle the matter is this: He would refer it to the whips and let them limit the time and make a selection of the men who should speak. That is nothing but the application of closure through the medium of the whips, and I object most strongly to it. I presume the reason why exception is made in the case of the Prime Minister, the leader of the opposition, a minister moving a government order, a member speaking immediately in reply to such minister, a member making a motion of no confidence in the government and a minister replying thereto is because, in the case of the Prime Minister and the leader of the opposition and other ministers, of their lack of experience in public speaking; they possibly need a little more time than others in which to express their views. If that is not the reason I do not know what it can be unless it is that the matter is of so much importance that they should have special regulations.

The hon. member for Comox-Alberni argued that this rule should not apply to the budget debate, but might I point out in opposition to that suggestion that if an exception is made in that case certainly other matters will come up of even greater importance than the budget. I venture to say that many hon. members of this House regard the Duncan report, for instance, as of greater importance so far as this session is concerned than the budget debate, and why we should make an exception in the case of the budget and not in other matters I cannot possibly understand. What I particularly wish to say is this: If an exception is made to this rule in regard to the Prime Minister, the leader of the opposition and certain other members mentioned, although I am not prepared to agree that an exception should be made, then it does seem to me that the exception should be carried a little further in order to apply to any member who introduces a resolution; such a member should have a little more than forty minutes in which to lay his case before parliament. On the order paper this session, for instance, there are a number of motions standing in the names of different hon. gentlemen, many of which are of great importance. I can readily understand why it might be somewhat difficult for a member introducing one of these subjects to cover the ground as it should be covered in the space of forty minutes. I am not arguing against the rule of forty minutes if it is applied all round, but I do say that there are subjects on the order paper before us which would indicate to me that private members under certain circumstances, should be exempted from the application of this rule just as much as these who are especially named for exemption. I believe the idea of cutting down or limiting the length of speeches is a very good one, and I take no particular exception to it, but I think it should be applied all round and made applicable to every member, ministers as well as others.

Mr. CARMICHAEL: I disagree most heartily with the arguments put forward by the hon. member for Comox-Alberni (Mr. Neill) and to oppose the amendment which he has submitted to the House. We have heard the honest expression by His Honour the Speaker this afternoon that the very best speeches delivered in this chamber were only of twenty minutes duration and given under the closure. I think we should attach a good

deal of importance to a statement such as that coming from the gentleman who presides over the deliberations of this chamber, and who was the chairman of the committee that revised these rules. In the past the practice has been to talk for an indefinite period. Those of us who have been in the House for the past few years have listened sometimes to speeches which occupied two hours, even three hours, and I recall an instance of a private member speaking for three hours and forty minutes. It is quite true that member did not stay within the borders of his own province nor within the confines of the Dominion itself; in fact I think he girdled the earth from east to west. In several instances I doubt very much if it was possible to follow him in all the remarks that he made.

Now the amendment as proposed by the committee is to limit speeches to forty minutes. I think the amendment does not go quite far enough. If the best speeches that have been delivered in this House only occupied twenty minutes why should we extend the time to forty minutes? Personally I would favour cutting it down to thirty minutes. I think any person who has little or much to say, and who has his subject well in hand, should be able to present his ideas in thirty minutes. Perhaps the most of us attend church service occasionally, and if the preacher were to occupy more than thirty minutes in the delivery of his sermon we would be very much dissatisfied. As a matter of fact if a preacher extends his sermon beyond half an hour he finds his congregation getting up and walking out, indicating that he takes too long. Now I rather think that the thoughts to which a preacher gives expression are just as good and just as necessary as the ideas advanced by a lot of members of this House—in fact they are more necessary.

Mr. YOUNG (Weyburn): Does the hon. member advocate applying the rule of closure to ministers?

Mr. CARMICHAEL: The closure is applied when members of the congregation get up and walk out.

Mr. YOUNG (Weyburn): That is the very point of the discussion to-night.

Mr. CARMICHAEL: Perhaps the most important speech delivered this session was the budget speech of the Minister of Finance, yet it took him only thirty-five minutes to deliver it. If the budget speech, covering taxation proposals for the whole Dominion, can be presented in that length of time, why should any mere member of parliament need more than even half an hour to present the needs of his constituency? It is true that any of us could take more than half an hour. A member could speak for an hour and a half and say no more than he could say in half an hour, but that is not a legitimate reason for insisting upon the longer period of time It would be a good deal better to have an expression of opinion by several members in the same space of time that such a speech occupies. In the case of the member who spoke for three hours and forty minutes a couple of years ago, if there had been a limit of half an hour we could have had seven speeches in that period of time. Surely in a budget debate it would be much more preferable to have the opinions of seven members from different portions of the country than simply to have the opinion of one individual delivered at such length. Therefore I would be very much opposed to the amendment submitted by the hon. member for Comox-Alberni. I would prefer there should be a thirty minute maximum, but I presume the committee have considered the matter from all angles, and perhaps the limit fixed in the proposed rule is a compromise, although I do not know as to that. A forty minute limit is better than none at all, and certainly if you had such a limit it should apply to the budget debate in which there are speeches of such great length.

There is another matter in connection with the proposed rule as to which there should be an amendment. I do not know that it would be in order at the present moment, but possibly when the amendment we are considering is voted down, as I expect it will be, the amendment I have in mind would be in order. It is with reference to the position of those who are privileged to represent groups in the House. The proposed rule recognizes only the Prime Minister and the leader of the opposition, thus giving recognition to two groups merely. I would not go to the extent of saying that we should recognize every group here no matter what their numerical strength might be, but we should take some notice of existing conditions. It does seem to me that when opinions are expressed by the government side of the House, which is supposed to be low tariff, and then opinions are expressed by the opposition side, which is supposed to be high tariff, although we know there is not so very much difference between the two, then there should be an expression of opinion by the groups in this chamber which are independent of party politics. There should be an expression by one spokesman at least representing the independent groups. I think we

will be well advised to make provision in the proposed new rule for an expression of opinion on behalf of the independent groups, that in that respect they should be placed on a parity with the leader of the government and the leader of the opposition.

Mr. WOODSWORTH: Personally I have no objection to limiting the time of speeches, but there may possibly be occasions when a man would need a longer period than forty minutes. I am inclined to think that a rule of this kind is rather an advantage, but I would agree very largely with the hon. member for Frontenac (Mr. Edwards) in objecting to the exceptions that we have here. The proposed rule states that the leader of the opposition may have longer than forty minutes, and furthermore that the man who immediately follows the minister may have longer than forty minutes. Now as matters are arranged in this House the man that follows the minister is usually a member of the official opposition. That is not a fixed, written rule, but it is more or less a practice of the House, so that it means that almost invariably the official opposition, as it is known, has an opportunity of prolonging the speaking as long as may be necessary. That is a real discrimination against other sections of this House. We who belong to the smaller groups might very well make a plea for a little longer time proportionately than would in the ordinary way come to us. We recognize that there are certain territories, like the Yukon, or districts rather remote which, because of their peculiar character, because their population is scattered, find it necessary to have more than their proper proportion of representation. It would be quite possible for the opposition with its eighty or ninety members to say over and over again eighty or ninety times what its leader has said, whereas in the case of us who represent smaller groups, sometimes with only three or four in a group, we have only three or four men to express a viewpoint that may represent a considerable section of the public outside.

According to this rule there is an official recognition of the opposition, of parties in this House, and I do not think that is travelling along very good lines. If we are to have an exemption made in the case of the leader of the opposition, there ought also to be exemptions made in the case of representatives of other groups, and in saying that I do not forget that there are individuals like the hon. member for Comox-Alberni (Mr. Neill) and the hon. member for Labelle (Mr. Bourassa) who have an equal right, with even a small group, to represent in this House the particular point of view which they hold. Under these circumstances the only fair way would be to remove the exceptions. It may be said that because the Prime Minister or a minister introducing a government order is in an official position in the administration, an exception ought clearly to be made in his case. But that again is recognizing a wrong principle. It is very well for the government to have charge of the administration, but in matters of legislation the government already occupies too influential a position in this House. It is well known to hon. members that under existing practices it is almost impossible for a private member to introduce a bill with any hope that it will have an opportunity of coming before and being discussed by the House. On account of the regulations the bill goes down into an inferior position from which it rarely reappears. That is a wrong practice. The hon. member for Kindersley (Mr. Carmichael) to-night used the phrase "a mere member."

Some hon. MEMBERS: Private member

Mr. WOODSWORTH: I do not like the term "a mere private member." I take it that the mere private member who is elected to this House has just as much right to introduce legislation as the Prime Minister himself. I say that without reflecting in the slightest on the Prime Minister or the government. As we come up from our various constituencies we have all equal rights in this House, and no rule ought to be introduced which would discriminate against any one member simply because he does not choose to associate himself with one of the larger groups.

Mr. SPENCE (Parkdale): How long would the hon. member expect the hon. member for Comox-Alberni, representing, as he does, only himself in this House, to speak?

Mr. WOODSWORTH: I am not speaking for the hon. member for Comox-Alberni.

Mr. COOTE: I think the House of Commons in this case is being compelled much against the wishes of many hon. members, to take some action to limit debate. No doubt the majority of the members would much prefer that each member should control himself and not make too long speeches in this House. If that were done we would not require any rule to curtail debate. It might be a good idea if we had a rule that when any hon. member had spoken for more than forty minutes, the Speaker would get up and read to him the resolution which the hon. member for Comox-Alberni quoted, and which

was passed by the House some years ago protesting against long speeches. A few years ago I put on the order paper a proposal that we should have a time-keeper who would mark down the time occupied by every member speaking in this House or in committee of the whole, and that when a member had taken up say three hours in speeches during a session, his name should be handed to the Speaker and he should not be recognized by the Speaker if any other member wished to speak. This forty-minute rule is very drastic, but at the same time the House of Commons must adopt some measure of restriction of freedom of speech, because prior to this year we have had members who would speak for more than three hours. We have had leaders of the great parties in this House occupying as much as three hours. I would like to draw the attention of hon. members to the rule which is in force in the United States congress. It reads:

No member shall occupy more than one hour in debate on any question in the House or in committee.

Mr. CHAPLIN: They hand in their speeches to be printed.

Mr. COOTE: Possibly if the committee had suggested one hour instead of forty minutes the recommendation would have been adopted almost unanimously by the House. I do not think there is any great virtue in the amendment proposed. Many members who might wish to speak more than forty minutes might not wish to speak on the budget at all; they might wish to use those forty or sixty minutes on some other matter. I think the exceptions should be stricken out of the proposed amended rule. I am sure if the Prime Minister, making a speech introducing some bill, had not finished in forty minutes, the House would not insist that he should sit down. But it looks bad on paper to set down such exceptions as are suggested in the amended rule. There are many members who object to this forty-minute rule who would seldom speak more than forty minutes, and if one hour were suggested instead of forty minutes I am sure that would meet with general approval.

Mr. KELLNER: A good deal of opposition seems to be developing over the privilege given to the leader of the opposition.

Some hon. MEMBERS: Not at all.

Mr. KELLNER: My recollection of the opinion of the committee was that they did not necessarily mean the leader of the official opposition; that the matter might be one of arrangement between the various groups in this House, and that it might very easily be the leader of this group who was occupying that position.

Mr. SPENCE (Parkdale): If you will grow in numbers it will be all right.

Mr. KELLNER: There have been times before when the privilege has been given to this group. We might trust to the verdict of the House; if the leader of this group required more than forty minutes, the House, I am sure, would readily grant permission. If my colleagues do not feel safe in allowing this forty-minute limit to pass, I shall be glad to support an amendment if they will introduce one, but I think we are amply protected under the rule as it stands at present.

Mr. McINTOSH: Mr. Chairman—

The CHAIRMAN: Shall the amendment carry?

Some hon. MEMBERS: Aye.

Some hon. MEMBERS: No.

The CHAIRMAN: I declare the amendment lost.

Mr. McINTOSH: Mr. Chairman, not being one of the hon. members of this House who have transgressed its rules perhaps as much as others have, because I believe the records of parliament will show that most of the members from the west irrespective of groups in this House have not abused their privileges with respect to consuming time in the debates of the last two sessions, I want to stand up in this House to-night and say that I am not very much in favour of this amended rule. If the amendment is accepted, it means that the Prime Minister, the leader of the opposition, a minister moving a government order, and the member speaking in reply immediately after are made exceptions to the general rule limiting speeches to forty minutes. There is another exception made of a member who makes a motion of "no confidence" in the government. The only free lance in the whole House, therefore, if this amendment goes through, will be the member who gets up and moves a want of confidence motion in the government, and it is a good job that that freedom is not being taken away from the average member. I do not think I would be in favour of this amendment if you removed these exceptions. I do not think I would be in favour of it if you increased the time limit from forty to fifty minutes. I believe the extra ten minutes would make a great difference, however. I do not see how you can

mathematically figure out a speech that will take just forty minutes to deliver. If you devote ten minutes to your introduction and ten minutes to your conclusion you have only twenty minutes left for your development—not really long enough—and then instead of having actual growth of thought upwards you would have just the opposite—an arbitrary development rendered incomplete and ineffective on account of the time restriction.

So far as the time limit is concerned, I do not think we ought to put any time limit on the average member. I think it is the number of speakers we have in this House rather than the length of speeches that runs away with the time of the House. I believe that we could develop enough coöperation between the different groups of this House so that, with a word from the Speaker we could confine our speeches to a definite length of time.

Some hon. MEMBERS: No.

Mr. McINTOSH: That is my opinion; hon. gentlemen can have theirs. Then there is the question of interruptions. I believe that an interruption is all right, but it should be made with the idea of getting information, and not simply to waste time or block the business of the House, which is the purpose of many interruptions. I do not believe we could have an up to date House of Commons unless we allowed interruptions and a certain amount of cross-firing. I believe that the present method of discussion and debate is the correct method, and if you simply have a member getting up and making a prepared speech, and no interruptions or questions are allowed, you will then have a dead House of Commons.

There is another idea, which the hon. member for Winnipeg North Centre mentioned, though not in quite the same way in which I prefer looking at what I regard as this curtailment of free speech. We talk about representative government and democracy, but what are the facts? We have sent to this House 245 members, and from among those 245 members a cabinet, a committee of the House, is chosen. That committee of the House has the power to initiate legislation, and there is where its great power lies. It has the power to direct, to guide, but the development of the last century has brought about a situation where the cabinet—regardless of the party in power—our main committee of the House, instead of leading and guiding rationally, dominates, and I do not believe that any committee of the House should dominate. The big thing for us to do to-day is to preserve for the people of Canada responsible and representative government on the part of private members, and as the hon. member for Comox-Alberni (Mr. Neill) has said, I believe there will be a reaction in the country if we put this amendment through here to-night, and before a year goes by there will be a demand to have this new rule changed. Why proceed with something of such a temporary nature? Why accept an amendment which is not going to be permanent? If we are going to go on in that way, instead of having a white dial on the clock we shall need all the colours of the rainbow—green, blue, red and yellow—to tell us when to stop. The rights of a private member are to-day very largely limited. We are to a certain extent looked upon as ciphers in this parliament. We do not want that to go any further, and I am enough of a Liberal and a democrat to stand up here and say that I will not stand for it, and I am going to vote for the amendment of the hon. member for Comox-Alberni.

Mr. McLEAN (Melfort): I would point out—

The CHAIRMAN: The amendment was declared lost.

Mr. McLEAN (Melfort): You were reading the amendment, Mr. Chairman, when the hon. member for North Battleford was on his feet. Time after time I have heard the chairman declare an item of supply carried, and we have proceeded with perhaps two other items when some hon. member would revert to the item that had been declared carried, and the discussion would be re-opened. In this case the hon. member for North Battleford was on his feet.

The CHAIRMAN: In this case it is somewhat different. I called for the yeas and nays, and then declared the amendment lost.

Mr. McINTOSH: I was on my feet before you called for the yeas and nays, Mr. Chairman. I will leave it to the House.

The CHAIRMAN: I cannot say whether my hon. friend was up or not. That does not affect my statement.

Mr. SPEAKER: I saw the hon. gentleman rise before you put the question, Mr. Chairman.

Mr. McLEAN (Melfort): I am not blaming you, Mr. Chairman, for not seeing the hon. member, but I am glad that Mr. Speaker saw him on his feet. I am not going to take long at this time.

I would point out that this committee has already gone a long way, if these amendments go through, in restricting the time during which private members may speak. First, it

is impossible to speak after eleven o'clock at night; second, it is impossible to speak on more than two committees; and third, there is a time limit on speeches of forty minutes. I have no complaint to make about that, because there is no principle involved. I am in favour of limiting speeches ordinarily to forty minutes, but I think after we have already made these three concessions, the House should be reasonable enough to accept the amendment of the hon. member for Comox-Alberni and give the members of the House the right to speak a little longer during one debate in the session.

Mr. LAPOINTE: I cannot agree that what was done this afternoon was done at the expense of the rights of private members, as my hon. friend from North Battleford said. Quite the contrary. We have been told by members of the House that the government was putting itself at the mercy of private members by accepting the eleven o'clock adjournment. I am free to say, as I did this afternoon, that these rules have been adopted in a spirit of compromise, and personally I would be opposed to the eleven o'clock adjournment if this rule is not adopted also. The two must go together, or the two must fall together. I think it would be senseless to ask for any other solution of this difficulty. After all, the House has appointed a committee representing all parties and all groups in this House—

Mr. STEVENS: Twice.

Mr. LAPOINTE: Yes, twice, and we all regret that the work which had been so painstakingly and carefully done last year had to be left aside. This session it was the desire of everybody apparently that these rules should be adopted. We appointed another committee representative, as I said, of all sides. They considered the rules very carefully and this report is the result of their work. Compromises have been made. As I stated, there are some things in these rules that I do not like, but on the whole I think they are good rules and a great improvement on the old. I have been sitting in this House for twenty-three years and almost every session I have heard complaints that the rules ought to be amended, especially in regard to those two features—the duration of each day's sittings and the length of speeches, both having had the effect of prolonging sessions into the summer, to which everybody objected. I think we trust the judgment of the members of that committee. I heard even my good friend from Comox-Alberni, when he was complaining this afternoon with regard to another rule, state that the real business of the session is done in committees, and that very seldom is their work challenged or changed in the House. Surely he ought to be consistent and accept the work of this committee.

Mr. NEILL: I did not say that; someone else did.

The CHAIRMAN: The question is on the amendment moved by Mr. Neill.

Amendment (Mr. Neill) negatived.

Mr. GARDINER: When I first read this proposed new rule, Mr. Chairman, I thought it might be a move in the right direction, and provided that it is amended in some particulars I believe it might be of great benefit to this House and the country at large. However, taking into consideration the exceptions therein, certain members are placed in a privileged position, and that I object to. We must always bear in mind that we meet here on equal terms. True, we have to appoint a committee of parliament to run the business of the country, and so far as that committee is concerned, which is known as the government, I am quite willing to make an exception under certain circumstances; but if we pass this rule in its present form I fear we shall create a dangerous precedent, for it will place the great majority of the members in an inferior position to represent their constituents.

Another point in this proposed new rule should be given grave consideration. On many occasions I have heard His Honour the Speaker state that our rules do not recognize parties in this House. But under this new rule we are going to recognize parties. We are going a step further, we are going to recognize the opposition.

Mr. LAPOINTE: If my hon. friend will permit me, I do not think His Honour the Speaker has ever been heard to say that the leader of the opposition is not recognized. Always the leader of His Majesty's loyal opposition has been recognized in the British House and in this House.

Mr. GARDINER: That is not the rule.

Mr. LAPOINTE: It is the practice.

Mr. MARCIL: The leader of the opposition is paid a salary and recognized by the House.

Mr. GARDINER: All right, I will deal with it from another angle. We may oppose government measures or private legislation, but I do not believe in an official opposition, and I think the time is near at hand when

opposition of that character will be eliminated, if not by the members of this House, then by the people themselves. I believe in coöperation, provided we can coöperate. Consequently I do not approve of the proposed new rule, having regard to the fact that it recognizes an official opposition, and I move the following amendment, Mr. Chairman:

That all the words after the word "except" in the first line to the word "shall" in the fifth line be struck out and the following inserted: "a minister moving a government order".

Also that "forty minutes" in the last line be struck out and "one hour" inserted.

The new rule would then read:

No member, except a minister moving a government order, shall speak for more than one hour at a time in any debate.

I move this amendment for the reason that I am not satisfied that anyone other than a minister of the crown in bringing before the House a government order should be privileged above other members—not even the prime minister or the leader of the official opposition. If we admit that these gentlemen are privileged above private members, there must be something in their election to give them that privilege. Therefore as private members we would not be able to represent our constituents to the fullest extent if we allow certain privileged members extra time at our expense. As I said before, I am quite prepared to accept the view that a minister of the crown introducing legislation should have all the time necessary to explain it, but otherwise we ought all to be on a parity, and I have sought to achieve this in my amendment.

Mr. POWER: I think my hon. friend's amendment really broadens the proposed rule, for it would allow every minister of the crown to speak for at least an hour.

Mr. GARDINER: No, only when introducing legislation.

Mr. POWER: In any case I cannot see why there should be discrimination in favour of a minister as against the leader of the opposition, or a private member moving a resolution. Therefore, in order to meet what I believe to be the wishes of all members, I move as an amendment to the amendment:

That all the words beginning with the word "except" and terminating with the word "thereto" be stricken from the clause.

It would then read:

No member shall speak for more than forty minutes at a time in any debate.

That will settle the question.

[Mr. Gardiner.]

Mr. McMILLAN: While I am strongly of the opinion that as a general rule forty minutes should be sufficient for any member, I do believe it is unwise to limit debate, and further I believe if we do this we shall realize in the near future that we have made a mistake.

Some hon. MEMBERS: Question.

The CHAIRMAN: Shall the amendment carry?

Some hon. MEMBERS: No.

Amendment negatived.

An hon. MEMBER: Was not that an amendment to the amendment?

Mr. POWER: I withdraw my motion as a subamendment and shall propose it later on as a substantive amendment.

Mr. CARMICHAEL: I am still of the opinion that the independent groups in this House should receive recognition. I would support the suggestion that all speeches should be limited to forty minutes, but since the committee is not prepared to go that length I maintain that the independent groups should be recognized. There are members here who have been sent by the public to present a non-partisan view and in important debates they should have sufficient time to state their point of view. I therefore propose the following amendment:

That after the word "opposition" in the second line the words "and one spokesman for the independent groups" be added.

Mr. WOODSWORTH: It would be impossible to carry out that provision. How in the world can a number of independent groups select a single spokesman?

Mr. CARMICHAEL: It would be easy for the independent groups to elect a spokesman. We have in this House a group from Alberta, we have the Progressive group, we have the Labour group, and we have a couple of independent members. It would be impossible for each small group to be represented independently by its own individual spokesman. But taking it for granted that the different independent groups are non-partisan, surely it would be an easy matter for them to arrange to have their views submitted by one speaker. It would not necessarily require the same speaker on every occasion, but there is no reason why one man should not be selected to represent their different points of view.

The CHAIRMAN: Shall the amendment carry?

Some hon. MEMBERS: No.

Amendment (Mr. Carmichael) negatived.

Mr. POWER: I move that all the words after the word "except" in the first line to the word "shall" in the fifth line be struck out so that the clause shall read:

No member shall speak for more than forty minutes at a time in any debate.

Mr. STEVENS: You are leaving in the word "except".

Mr. POWER: I must amend my own amendment; I thank the hon. member for his correction. The amendment should be to strike out all the words after the word "member", in the first line, to the word "shall" in the fifth line.

The CHAIRMAN: Shall the amendment carry?

Some hon. MEMBERS: No.

Some hon. MEMBERS: Carried.

Amendment (Mr. Power) negatived on division: Yeas, 34; Nays, 68.

Mr. NEILL: As a compromise—

Mr. SPENCE (Parkdale): No compromise.

Mr. NEILL: That is a nice, kindly feeling to display. It is very evident that a great many members here know in their hearts, however they may vote, that forty minutes is too short a time. I move that the "forty" be struck out and "sixty" be substituted therefor.

Mr. SPENCE (Parkdale): That motion was voted upon a minute ago.

Mr. YOUNG (Saskatoon): If there is to be any time limit I consider it a good deal better to have forty than sixty minutes. I am unalterably opposed to having any time limit, although I am very strongly in favour of short speeches. I cannot help feeling that what is needed around here is a little education rather than fixed rules. It was interesting to hear the hon. member for Fort William this afternoon. I wished at the time that I could turn the clock backwards one year and have the hon. gentleman apply his own argument to his own position then.

Mr. MANION: You may any time you like.

Mr. POWER: I rise to a point of order The hon. member is speaking to an amendment which has already been defeated.

Some hon. MEMBERS: No.

Mr. POWER: The hon. member for Acadia moved an amendment in which there was a provision that speeches should be of sixty minutes' duration, and that amendment was defeated.

The CHAIRMAN: The point raised by the hon. member is well taken. The proposed amendment was covered in the amendment moved by the hon. member for Acadia and rejected by the committee.

Mr. NEILL: I will amend my motion, then, and make it sixty-one minutes.

Mr. BIRD: Mr. Chairman, I wish to move an amendment.

The CHAIRMAN: If my hon. friend desires to move an amendment we had better dispose of the one already before the committee. The hon. member for Comox-Alberni (Mr. Neill) moves that the word "forty" be struck out and that the word "sixty-one" be inserted in lieu thereof. Is it the pleasure of the committee to adopt the amendment?

Amendment (Mr. Neill) negatived.

Mr. BIRD: Mr. Chairman, I would move that the words "the leader of the opposition" in the first and second lines be deleted and the following words substituted therefor: "leaders of opposition groups." I move this amendment because as a member of the committee which drew up this report I feel it to be in line with the spirit in which that committee conducted its work. On that committee were representatives of all groups in the House and on no occasion was there any disposition to overrule any just demand of any member of that committee; it was very much otherwise and a different spirit prevailed. Two things were very manifest in that committee; the first was the consensus of opinion, after we had discussed the rules for some time, that although our rules of procedure are based upon long parliamentary experience, sometimes we thought we had discovered a weak spot.

Mr. CLARK: Mr. Chairman, I rise to a point of order. The principle in the amendment now moved by the hon. member was involved in the amendment moved by the hon. member for Kindersley (Mr. Carmichael), which was voted down.

Mr. BIRD: I think my best answer to the point of order is to continue with the line of argument I had started. I was pointing out the spirit in which all the members of that committee conducted this work, and it seemed to me that that spirit should be continued in this House. I think we all desire to reach an unanimous conclusion and to do something to further the business of the House. I was pointing out, Mr. Chairman, that in the committee we recognized after studying the rules for some time that we were dealing with traditions—

Mr. CLARK: I would like a ruling on the point of order, Mr. Chairman. Just before your ruling is given I would suggest that the member is out of order either because he has moved an amendment which is not in your hands and which therefore is not before the committee, or because he is moving an amendment the principle of which has already been dealt with by this committee.

Mr. BIRD: If necessary I will withdraw my amendment until I have finished my argument. With all the debate on this subject in the last few hours I think I should be allowed to continue with what I have to say. In many cases in committee we have had matters of a similar kind before us, matters in which I as a member of an independent group have been very much interested, and any representation I made in committee at any time was met with the greatest courtesy, as I think all recommendations should be met.

Mr. EDWARDS (Frontenac): Is the hon. member speaking inadvertently now?

Mr. BIRD: When I speak inadvertently I sometimes express much greater sense than the hon. member for Frontenac (Mr. Edwards), when he speaks with consideration. After all, Mr. Chairman, this is only in keeping with the spirit which should be maintained in a House of this kind, and it is the spirit in which our rules should be revised. What is the use of appointing a committee to revise the rules of the House if we are entirely to overlook and ignore the outstanding features of this parliament as it exists today? One of the most fruitful sources of disharmony in this House for the last five or six years has been the existence of a third group. I do not object to the manner in which the rules have been applied in the past, because rules exist to be applied, but the necessary result of their application did not lead to the despatch of parliamentary work but rather to the contrary, and now that we are revising the rules why cannot we frankly face the fact that instead of two parties in this House we now have three or four? Surely if our object is to facilitate the business of the House we must so adapt our rules as to take into account all the factors which enter into that business, and I want to say that I do not know how this provision got into the rule. I must have been absent from the committee at the time, because I certainly would have been remiss in my duty had I let this go in without registering some objection. It is surely a very bold disregard of the presence of a third or fourth group in this House, that these words should be placed in such a rule, and I should think the House could have no objection whatever to their removal. Concessions are made along these lines frequently and I think in the revision of these rules the existence of a third point of view in the House should be recognized. Therefore, Mr. Chairman, with all due respect I would move the amendment, but perhaps before doing so I might say something else which has occurred to me. I listened very attentively to the remarks of the hon. member for Comox-Alberni (Mr. Neill), and I think he was entirely sincere in the attitude he took. We have had sufficient incidents of a serious character in our parliamentary development to justify fully any member being on his guard against any restriction of the right of private members. Therefore I concede to the hon. member and others who feel the same way a real sincerity of motive, and I think only that the occasion was somewhat mistaken by them. Personally I think that unrestricted freedom of speech is not the defence of free speech, as we have often seen in the course of the last five or six years; It is rather an abuse of free speech. I know it is a regrettable thing that rules have to be invoked in order even apparently to restrict free speech. It surely was a regrettable thing when the action of Parnell and his associates compelled the invoking of the closure, it was a regrettable event in the otherwise free development of British parliamentary experience. I think this also is a somewhat regrettable step to take, but the step has been made necessary by the wholesale abuse of the right of speech in this House in the last few years. After all I think that a step of this kind, which apparently has the fairly unanimous backing of the House is just a matter of self defence on the part of the greater majority of parliamentarians. As a matter of fact the ones who transgress are the few. The ones who impose themselves upon us in the name of free speech are only a very insignificant proportion of the total membership of the House, and why should we be willing quiescently to submit from time to time to the false imposition of these gentlemen? Why cannot we agree on some rule that will bring these men to time? We have no other way of doing it. If we do not do that we are defenceless. It reminds me of a story in parliamentary history. On one occasion a well know parliamentarian was listening to a very long and tiresome speech. He happened to see another member with an ear trumpet to his ear, and he said to his neighbour: "There is a man throwing away his natural advantages." Well, Mr. Chairman, we have not very many natural advantages in this House when it comes to

the overpowering eloquence of some of the members who think from time to time that they can safeguard the interests of the country and their constituencies only by talking hour after hour. I think I am as wholeheartedly in favour of free speech as the hon. member for Comox-Alberni, and I am only sorry that at this time we should seem to differ as to the best method of preserving what after all is the most precious inheritance of our parliamentary possessions. I wholeheartedly support the principle of this section, but in order to make it more in keeping with the actual facts in the House and to make it so that the proceedings here will henceforth be more harmonious and create a better spirit among the various parties, I move:

That the words "the leader of the opposition" in the first and second lines be deleted and the following words substituted: "leaders of opposition groups."

Mr. EDWARDS (Frontenac): It is pretty nearly time we came to an understanding in regard to this matter of the opposition. We have given official recognition to the opposition by voting a salary to the opposition leader, and I would settle this question by providing that after the word "the" the sentence will read: "leader of the official opposition." There is an official opposition and that fact is recognized by voting him a salary.

Mr. GUTHRIE: The wording is "the recognized leader."

Mr. EDWARDS (Frontenac): Yes, the recognized leader of the official opposition.

Mr. LAPOINTE: The word "official" there is useless; it is not necessary.

Mr. EDWARDS (Frontenac): Very well, say "the recognized leader of the opposition."

Mr. LAPOINTE: I think it should be the "leader of the opposition."

Mr. EDWARDS (Frontenac): I do not see why we should recognize one or two persons who call themselves a group or a political group. I am not very much moved by the appeal of the hon. gentleman who has just taken his seat in regard to groups, bearing in mind that he "inadvertently" voted against the very group that he belongs to.

Mr. MARCIL: I think it is only fair to give an explanation of how the committee was guided in this matter. A strong appeal was made to us that an opportunity should be afforded the three parties in this House to express their views. Generally when the government brings down the budget the official opposition moves an amendment, and from time immemorial only one amendment has been allowed on going into committee of supply. Now hon. members will find at the top of page 26 a new rule which provides for a subamendment. There is to be one amendment, and one subamendment, which is designed to afford the members independent of the two large parties the opportunity of making known their views. The present situation in that regard had been a bone of contention for the last four or five years in parliament, and we had some trouble on one or two occasions as to which of the two groups was to be the opposition. I think this concession to the independent members will furnish them with the opportunity of moving, before going into committee of supply, a subamendment in which their own views can be stated fully. This concession was accepted as a compromise by the members of the committee. It is a departure from the practice of the House, but the committee agreed to recognize to that extent the three existing parties.

Mr. VALLANCE: I was very much interested to-night in hearing the hon. leader of the United Farmers of Alberta group—I think that is what he is styled—claim that he was opposed to any opposition or recognized opposition. Then we hear the hon. member for Nelson (Mr. Bird) suggesting that the members in that corner are the opposition, and bringing in an amendment. What I want to know is just where these hon. members stand? Are they in opposition or what are they? This amendment would lead us to believe that the various groups in that corner are in opposition, and the hon. gentleman virtually says so in his amendment.

Mr. BIRD: It is well known that the term is applied to those members who do not sit on the government benches. There was no implication in the use of the word that we were anything like an official opposition.

Mr. VALLANCE: You always refer to the members sitting in front of me—Mr. Neill and Mr. Bourassa—as "independents." You have not included them. We want to know where this outfit stands.

Mr. BIRD: The hon. gentleman surely is attributing to us motives that it is not proper to attribute to us at all. Because we sit on this side and sometimes express independent criticism does not imply that we are the only opposition. The hon. gentleman seems to want to put us—

Mr. LAPOINTE: Will my hon. friend permit me? Can he tell us himself how many would be entitled to the longer speech if his amendment carries?

Mr. BIRD: For all practical purposes I admit frankly that it might extend on occasions to three or four, but even at that I think the House could very well make a concession for the sake of good will. While I am on my feet I want to say something in regard to a remark passed by the hon. member for Frontenac (Mr. Edwards). I do not wish to bring up anything that is past or dead, or that should be so regarded, but I do not intend to sit here calmly and listen to the insinuations that the hon. member for Frontenac has made on one or two occasions respecting an action of mine. I think it would be becoming of him and his colleagues on that side of the House if they would let that incident drop. During the election he and others sitting on the front benches went out of their way to spread from one constituency to another statements that not one of them would dare to make on the floor of this House, that not one of them would be man enough to make to my face.

Some hon. MEMBERS: Oh, oh.

Mr. BIRD: I think it is descending to a very low level of parliamentary practice for the hon. gentleman with his experience to stand up and make those base insinuations about the action of another member.

The CHAIRMAN: The remarks of the hon. gentleman are not relevant to the matter which is before the committee.

Mr. BIRD: They may not be relevant, but I think as a member of this House—

Mr. EDWARDS (Frontenac): I rise to a point of order. Is it within the rules for an hon. member to accuse another of making base insinuations? I do not think it is. I am sorry indeed if he or anyone else is accusing me of making insinuations. What I stated were facts. I do not bother wasting my time with making insinuations.

Mr. BIRD: It does not make the matter any different for the hon. member to use his subtlety of mind to get himself out of a situation which no self-respecting member would place himself in.

Mr. EDWARDS (Frontenac): No self-respecting member would be guilty of the inadvertence which he committed.

Mr. POULIOT: May I move a certain amendment to the amendment which I think will make the matter clear? I move:

[Mr. Bird.]

That the new rule to be added after rule 21 as amended be replaced by the paragraph:

"No speech delivered in the House of Commons shall be recorded in Hansard."

Mr. LAPOINTE: I move that the committee rise, report progress and ask leave to sit again.

Progress reported.

On motion of Mr. Lapointe the House adjourned at 10.45 p.m.

Monday, March 21, 1927.

The House met at three o'clock.

PRIVATE BILL

FIRST READING

Bill No. 175, to incorporate The Independent Order "Fior d'Italia".—Mr. Odette.

CANADIAN NATIONAL RAILWAYS ACT, 1919, AMENDMENT

Hon. J. A. ROBB (For the Minister of Railways) moved for leave to introduce bill No. 176, to amend the Canadian National Railways Act, 1919.

Mr. MANION: Explain.

Mr. ROBB: In the absence of the Minister of Railways (Mr. Dunning) I am unable to explain the bill, but I should like to have it introduced and recorded.

Motion agreed to and bill read the first time.

CIVIL SERVICE—SUPERANNUATION

On the Orders of the Day:

Sir GEORGE PERLEY (Argenteuil): In connection with the working out of the Superannuation Act of 1924 my attention has been called to the position in which two deserving classes now find themselves, as I believe they are not legally entitled to receive anything under the wording of that act. I refer to the widows and minor children of former civil servants who died before the act of 1924 came into force, and also the wives and minor children of former civil servants still living who were superannuated before that date. Is the government taking steps to give these cases consideration?

Hon. J. A. ROBB (Minister of Finance): This matter has been under consideration for some time. The Superintendent of Insurance was instructed to make, and I believe he is making, a census of employees to come under the act, but I do not think he has quite completed it yet. He has not all the information from the various departments and recently matters have been somewhat complicated by the receipt of requests from civil servants who were employed in the maintenance of public buildings and others who had been retired under the Calder Act. The whole subject will be given careful study before a conclusion is reached.

Mr. McQUARRIE: Referring to the same matter, may I ask whether it is the intention of the government to extend the time for civil servants to elect to come under the act? I understand that on the eve of the last election the Prime Minister (Mr. Mackenzie King), in a speech delivered in Ottawa, made a promise to this effect.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I do not recall the promise, but if it was made it will be carried out.

Mr. McQUARRIE: Will it be carried out? That is the question I asked.

Mr. MACKENZIE KING: If such a promise was made it will be carried out. My hon. friend prefaced his question with the statement that the Prime Minister had made the promise. I say, if the promise was made it will be carried out.

Mr. McQUARRIE: The Prime Minister knows whether he made it or not.

Mr. MACKENZIE KING: I am not so sure.

Mr. McQUARRIE: It is to be presumed that the Prime Minister does not care to answer the question.

Mr. MACKENZIE KING: I have answered it.

Mr. CLARK: With reference to the answer given by the Minister of Finance (Mr. Robb) to the hon. member for Argenteuil (Sir George Perley), I should like to know whether the Superintendent of Insurance has instructions to consider cases of employees in the Department of Soldiers' Civil Re-establishment. The employees of the Soldier Settlement Board are at present classed as temporary, and have been for the last nine years, and they are not entitled to consideration under the Superannuation Act.

Mr. ROBB: I will direct the matter to the attention of the superintendent, although I think it has already been submitted to him directly by the board.

Mr. ARTHURS: I suggest that this should be confined entirely to returned soldiers.

CROWSNEST PASS AGREEMENT

On the Orders of the Day:

Mr. JOHN EVANS (Rosetown): In view of the passage of a bill in June, 1925, for the equalization of freight rates and the fact that the Crowsnest pass agreement then in force in relation to commodities going west was abolished at that time, and in view, further, of the facts that the Crowsnest pass agreement does not apply to all lines of the railway in western Canada, and that since that bill was carried two crops have been hauled out, I want to ask the government whether they will see that justice is done the west in this matter.

Hon. CHARLES A. DUNNING (Minister of Railways): The railway companies, I understand, take the ground that they have complied with the statute in question. Those who believe otherwise have made an appeal to the Board of Railway Commissioners with respect to the matter, and evidence and argument have, I believe, been heard. An appeal was brought to the Privy Council from the decision of the railway commission as to procedure. The judgment of the Privy Council on that appeal was given some weeks ago and, I believe, has been published. The railway commission has been requested by the government to give its decision in connection with the matter at the earliest possible date.

CANADA GRAIN ACT AMENDMENT

On the Orders of the Day:

Mr. M. N. CAMPBELL (Mackenzie): I have a question to ask the government in connection with the proposed bill to amend the Canada Grain Act. The question arises out of an Ottawa despatch appearing in the Montreal Gazette of March 18. This despatch intimates that a compromise agreement has been entered into between the government and the grain interests in connection with this bill, and in the closing paragraph it states:

> It was learned to-day that Mr. Malcolm, who will bring down legislation along this line this session, submitted the bill to the grain commission. The commission, after considering the question, has recommended that legislation be introduced compelling country elevators to guarantee grade but not weight.

As anything less than the provisions of Bill No. 8 last year will be of no practical use to the farmers of western Canada I would like to have the assurance of the government that there is no truth in this report.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The government can assume no responsibility for any report in any paper, but the government will assume full responsibility for its promise to introduce amendments to the Grain Act which I hope will be brought down this week.

RECOGNITION OF PEKIN GOVERNMENT

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): In view of the situation prevailing in China, does this government continue to recognize the Pekin government?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Perhaps I had better say to my hon. friend that the matter is under consideration.

PRIVATE BILLS

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL COMPANY

The House resumed from Friday, March 18, consideration of the motion of Mr. Chevrier for the second reading of Bill No. 78, respecting the Montreal, Ottawa and Georgian Bay Canal Company, and the proposed amendment thereto of Mr. Guthrie.

Mr. E. R. E. CHEVRIER (Ottawa): Mr. Speaker, judging by the nature of the amendment which the leader of the opposition (Mr. Guthrie) has been pleased to move, I am quite convinced that the old time board of strategy is still functioning, and is running true to form. This amendment is the most unskilful smoke screen ever put forth by that venerable body. Those who promoted it did not figure how long it would have to last, and they become sorely mixed up in the directions of the wind. The longer this discussion lasts the thinner becomes the smoke screen and the easier it becomes for us to see that this amendment was not conceived in any purity of thought but that it was rather the product of a guilty mind, to befog the issue and distort public opinion. What is the purport of this amendment? The board of strategy, moved by bellicose sentiments and with sanguinary intentions, has no desire other than to turn this honourable House into a place where this bill may be slaughtered, something which has not been heard of in twenty-five years in connection with a bill of this magnitude. If this bill is extinguished in that way it will be simply for the purpose of endeavouring to prevent the light of day going beyond it, so that public opinion may not turn a searching eye on the management of certain public utilities in Ontario and elsewhere.

I have the greatest respect and admiration for public ownership when it is carried out according to the principles which were laid down at its inception; I am an Ontario man and am proud of it, and I am also proud of the fact that the province of Ontario stands for public ownership. At the same time, Sir, I am not prepared to endorse the management of those matters under public ownership as they are carried on to-day, which is one reason why I ask hon. gentlemen sitting directly opposite, particularly, they who are affiliated with no political party, whose sincerity I know and whose loyalty to their tenets I respect, to fully consider the nature of this amendment, and to consider it with great suspicion.

Mr. GARLAND (Bow River): May I ask the hon. gentleman a question? Since he has sought what I may call our juryship, would he be so good as to illustrate more clearly than he has so far done the lack of efficiency in the management of the Ontario hydro-electric system?

Mr. CHEVRIER: Mr. Speaker, I do not anticipate that my speech will be one which might be delivered from a bed of roses; this is an evidence of that fact. If the hon. member for Bow River (Mr. Garland) is anxious to find that out do not let him ask it from me now, but when he delivers his speech let him move that this bill be referred to committee, where the light of day will shine on that spot. It pleased the hon. member for Winnipeg North Centre (Mr. Woodsworth) to ask a certain embarrassing question, not of us, at page 1208 of Hansard, when he said, in reading from a clipping:

> The election in Ontario means in one sense the dawn of a new era as far as the electrical generation of power is concerned, for in future the electrical projects of "peepul" in Ontario will be carried out hand in hand with the so-called "St. James street" gang; in others words, the large power interests of the province of Quebec; a situation which perhaps may cause

Sir Adam Beck to turn in his grave, but which will nevertheless be welcomed by all thoughtful people.

Then the hon. member continued, and asked this very timely question:

I do not know how long the debate will continue; but I hope, before it is over, my Conservative friends, with whom I have a good deal of sympathy at this time—

Probably the time will come when that sympathy will not be quite so great.

—in regard to their resolution, will be able to throw some light on an editorial of this character, and very definitely to assure us that there is no danger that the hydro electric of Ontario will be in any way imperilled. We ought to be very sure of that.

Many speeches have been delivered since then by members of the Conservative party, and the hon. member for Winnipeg North Centre has not yet received his answer, but in that guilty silence I find the answer. If they have not been able to give him an answer I say it is high time for my hon. friend to make up his mind that there is something fundamentally wrong, and that this bill should be sent to the committee on railways and canals for a proper investigation.

Yes; I have said that public ownership is a great thing, provided it be carried out according to the principles laid down at its inception. I am a great believer in consistency; even if one is wrong, if one is consistently wrong I feel that it is not so bad. But to be consistently inconsistent is a very bad thing. I shall have something to say about the consistency of the hon. gentleman who has moved this amendment, but before I start dealing with that amendment let us see what has brought that amendment about. The hon. member for North York (Mr. Lennox) said that there were no papers in Ontario that would support this scheme. Of course there are no Tory papers in Ontario that would support this scheme, not since the present Minister of Railways and Canals (Mr. Dunning) cancelled the lease of the 26th August. The Ottawa Citizen every second day or so fires a broadside into this project. The Ottawa Citizen did not do it in 1924.

An hon. MEMBER: What about the Globe?

Mr. CHEVRIER: Oh, the Globe! I repeat, the Ottawa Citizen did not do it in 1924 and why? Because in 1924 certain things did not exist that exist to-day. At that time the president of the chain of newspapers which owns the Citizen to-day was not a director of the International Paper Company. I hold in my hand a clipping from the Moncton Times of January 27, 1927, in which I find a very interesting bit of history. That clipping says:

Montreal, Jan. 26:—The Canadian International Paper Company announces the following as being elected to the directorate:

Now here is where we get some light upon the question as to why we are encountering all this opposition from the hon. gentlemen who sit on the Conservative benches. Here are some of the directors:—

Mr. ARTHURS: Is the hon. gentleman trying to make this a political question?

Some hon. MEMBERS: Oh, oh.

Mr. CHEVRIER: I did not catch the hon. gentleman's question.

An hon. MEMBER: Never mind, it's not worth it.

Mr. CHEVRIER: I always like to answer a question when it is put in the genial fashion characteristic of the hon. member for Parry Sound (Mr. Arthurs), who gave his views upon this matter the other night in a very courteous way. But let my hon. friend ask for a reply to his question from the member for one of the Toronto constituencies, who said that this question should remain in politics and remain there forever.

Mr. ARTHURS: Who said that?

Mr. CHEVRIER: The hon. member for Toronto Northeast (Mr. Young). My hon. friend knows who I mean.

Mr. YOUNG (Toronto Northeast): I beg the hon. gentleman's pardon, I did not make any such statement.

Mr. CHEVRIER: The clipping from the Moncton Times contains this statement:

The Canadian International Paper Company announces the following as being elected to the directorate: Hon. R. B. Bennett, K.C., F. N. Southam, Hon. Smeaton White—

Now, I am only concerned with these for the moment.

Mr. BENNETT: The hon. gentleman has only quoted part of the statement. He should read the whole of it.

Mr. CHEVRIER: I beg the hon. gentleman's pardon. I did not hear the question.

Mr. GARLAND (Bow River): Read the whole statement.

Mr. BENNETT: When the hon. gentleman reads what purports to be a list of directors he should not confine himself to reading only three names and omitting the balance. Suppose he names his colleague from Ottawa.

Mr. GARLAND (Bow River): Hear, hear.

Mr. CHEVRIER: I will do that with the very best of grace.

Mr. GARLAND (Bow River): Under the circumstances.

Mr. CHEVRIER: The names are as follows:

Hon. R. B. Bennett, K.C., Calgary; Hon. Raoul Dandurand, V. M. Drury, Sir Lomer Gouin, G. H. Montgomery, K.C., J. W. McConnell, Hon. Donat Raymond, F. N. Southam, Hon. Smeaton White, Brigadier General J. B. White, all of Montreal;

Now laugh:

Gordon C. Edwards, M.P., Ottawa;

Some hon. MEMBERS: Oh, oh.

Mr. CHEVRIER:

J. H. Fortier, Quebec;

Now laugh, gentlemen of the opposition:

A. P. Graustein.

There is a wonderful gentleman. Why do not my hon. friends applaud the reading of that name? But let me continue reading:

Neil C. Head, H. C. Phipps and A. H. Wiggin, New York; J. Comber, Boston; J. M. McCarthy, Quebec; J. A. Russell and E. R. Wood.

I hope the hon. member for West Calgary (Mr. Bennett) is satisfied. He is in very pleasant and agreeable company as far as public ownership and private ownership are concerned.

Now, as I said, the Citizen in 1924 did not take the stand that it takes to-day, because at that time the gentleman who presides over the destinies of the Ottawa Citizen was not a director of the Canadian International Paper Company. Now we know why the Citizen to-day sheds these crocodile tears over this situation—because Mr. Southam is directly interested. That is one answer why the Ontario papers are not so much in favour of this project. He is interested in the Hamilton Spectator, the Winnipeg Tribune, the Calgary Herald, the Edmonton Journal, and the Vancouver Province, and is also very heavily interested as mortagee in the Vancouver Sun, and owns, of course the Ottawa Citizen.

Now we might go on a little further. I am still quoting from the Moncton Times:

Ottawa, Ont., Jan. 26:—The Ottawa Citizen carries the following in its news lines—

And, Mr. Speaker, this time if I mention only one name it is because there are no other names referred to:

It is believed in local business and financial circles that the inclusion of Hon. R. B. Bennett, K.C., as a director of the Canadian International Paper Company portends either an amalgamation of the E. B. Eddy Company with the New York enterprise or it is to be purchased outright in the near future. Hon. Mr. Bennett is one of the principal shareholders and vice president of the E. B. Eddy Company, and a rumour has been current for many months that some vital change is forthcoming in connection with that company.

Mr. BENNETT: Rising to a question of privilege I desire to say that the statement is wholly unfounded in fact and is known to the hon. gentleman to be such because of the statement I made here the other evening. There is no basis, remote or near, direct or indirect, for that statement.

Mr. CHEVRIER: Mr. Speaker, there are many statements contained in this clipping, and in order to be fair to the hon. gentleman I should like to afford him an opportunity of saying which one of the statements is not true.

Mr. BENNETT: Every statement that links up the E. B. Eddy Company with the International Paper Company or myself, other than as a director, about which I will presently enlighten the hon. gentleman.

Mr. CHEVRIER: And for which enlightenment I shall be delighted indeed.

Mr. BENNETT: I should like the statement to be withdrawn now. It is wholly unfounded in fact, and I think I am within my rights in asking that it be withdrawn. The statement made by the Ottawa Citizen that the E. B. Eddy Company has been or is about to be sold to the International Paper Company is untrue. There is no foundation for it directly or indirectly.

Mr. CHEVRIER: I have no desire to argue with the hon. gentleman, but I ask why he does not defer his remarks—

Mr. ARTHURS: I rise to a point of order. Where a statement made has been given the lie direct it should be withdrawn.

Mr. CHEVRIER: I have not had the benefit of hearing any of the hon. gentleman's enlightening remarks so I cannot answer them.

Mr. DEPUTY SPEAKER: I think under the rules of the House the hon. member is bound to accept the word of the hon. member for Calgary West. The hon. member for Ottawa has quoted from a newspaper clipping

a statement with respect to the connection of the hon. member for West Calgary with some company, which the hon. member for West Calgary denies. I think the hon. member for Ottawa should withdraw that statement.

Mr. CHEVRIER: Nobody in this House is more amenable to the rules particularly when they are interpreted with such grace as you have interpreted them, Mr. Speaker, but the statements quoted were not my statements. I am just reading what is contained herein.

Mr. BENNETT: You cannot use the language of anybody else.

Mr. CHEVRIER: Let us be fair about the matter. I am willing to retract anything that should be retracted, but does the hon. gentleman say now that he is not a director of the International Paper Company?

Mr. GUTHRIE: We ought to have this question of privilege settled. A statement was made and it was denied by another hon. member. The ruling was given that under the rules of the House the statement should be withdrawn, but my hon. friend now seeks to persist in the statement. Therefore, Mr. Speaker, I ask your definite ruling.

Mr. DEPUTY SPEAKER: With respect to the last utterance of the hon. member (Mr. Chevrier), I think every one heard the hon. member for West Calgary (Mr. Bennett) distinctly say that he was a director of the Canadian International Paper Company. There is no question as to that. The question is as to the statement given to the House in connection with the E. B. Eddy Company, and the hon. gentleman should withdraw it.

Mr. CHEVRIER: With the best of grace. I withdraw the statement contained in the Citizen.

Mr. BENNETT: Once more—

Some hon. MEMBERS: Oh, oh.

Some hon. MEMBERS: Hear, hear.

Mr. BENNETT: I can readily understand that the case which is mine to-day may be that of hon. gentlemen opposite to-morrow. May I venture to say that applause of that kind in a deliberative assembly is not calculated to accomplish any good purpose? The hon. gentleman read a mis-statement of fact. I corrected it. He read from the Moncton Times stating that it came from the Citizen. He now says that it came from the Citizen. He fathered the statement, and in conformity with the rules he must withdraw it in its entirety. In addition to that the statement was contradicted in the Citizen and my hon. friend was aware of that when he used it.

Mr. CHEVRIER: In view of the fact that the matter is bad enough, I will retract the whole statement. We have, however, the statement that the hon. gentleman is a director of the International Paper Company. It will be most interesting then to see what stand he takes on this amendment and what stand he takes when we come to vote whether this bill is to go to the committee or not. We also find that Mr. Smeaton White and Mr. Southam are directors of this company. Therefore the attitude which the Citizen and the Gazette take in this matter is not surprising. These newspaper owners whose names I have just cited are either the partners or the hirelings of Mr. Graustein of New York. From whatever angle you look at this matter, from whatever side you study it, the picture reveals that these newspapers are under the direction of Mr. Graustein of New York to foster his interests in Canada. I say that never in all the history of Canada has such a gross attempt been made to muzzle the press of this country. An order in council was passed on the 26th of August last renewing certain leases and prior to that moment nothing has been heard of this discussion. That order in council was in these terms:

> For the furnishing by the company, at no cost to the government, of greatly improved canalization facilities past the Carillon rapids in the Ottawa river, and the utilization by the company of the water powers adjacent thereto.

That was an order in council. In ordinary language that means bartering away privately and by subterranean means our natural resources. If any other construction can be placed on those words, I would like to have it. Surely that method of disposing of the public resources and utilities of Canada does not appeal to hon. gentlemen directly opposite.

Mr. GARLAND (Bow River): While I quite agree with the statement which the hon. gentleman has just made, I would like to ask him now if the government he is supporting is willing to withdraw the lease in its entirety. It has the power to do so.

Mr. CHEVRIER: Usually one asks payment of money from the one who owes it. With the greatest possible courtesy to my hon. friend I would like to answer that question, but I am, unfortunately, not in the secrets of the government. Let me however tell him that that lease will expire on May 1 of this year.

Mr. GARLAND (Bow River): We would like to hear what the hon. gentleman's position is in regard to the matter.

Mr. CHEVRIER: Of course, I am not in favour of the renewal of the lease. This renewal of the lease was granted on the 26th August, 1926, when the shadow government was supposed to be in power. Now we find the ghosts and survivors rising and fluttering in this House to oppose what in those days they themselves fixed or sanctioned. Out of their concrete form now, they remind me of the effigy on the old Roman coins looking both ways. How history repeats itself and how hon. gentlemen opposite who have spoken on this matter and particularly those who were members of that former government which granted this renewal, remind me of the ancient king of Judea who, in order to get at the newborn Saviour, ordered the destruction of all males two years old and under.

Sir GEORGE PERLEY: Was this same lease that was renewed for a short time last summer by the Meighen administration not the lease that was extended three times by the King government prior to that, in August, 1923, November, 1924, and October, 1925?

Mr. CHEVRIER: Yes, but there are two answers to that. One is the: Tu quoque, Brute! If you did wrong, should we have done the same thing? The other answer is this: that the original leases never contained the tremendously increased power which the shadow government granted to their supporters just before the election when they did not know which way they would have to jump. There is a tremendous difference in renewing a lease in the ordinary way of business and renewing a lease with tremendously increased powers just on the verge of an election and continuing it until kingdom come in the year 2005.

These hon. gentlemen also remind me of another prince of biblical times, and particularly the hon. gentleman who has moved the amendment reminds me of that ancient king who forced Moses into the bulrushes. Probably the day will come when the hon. gentleman would like to conduct his party into the promised land, but politically he will meet the same fate. There is still another picture which this brings to my mind and that is of the old god that used to devour his children because of the fear he had that they would one day dethrone him. This amendment was conceived for that purpose and under the same fear. It was for the purpose of hiding an accusing past. The best evidence of that is to be found in these two clippings, this one from the Ottawa Journal:

> No government of this country ought to take to itself the right to barter away privately in subterranean conferences the power resources of this country to powerful political friends and backers. Such proposed concessions ought to be advertised openly, with all the facts available to everybody, just precisely upon the principle that government contracts are let by public tender.

Those Journal editorials written in May, 1926, compared with the editorials that they write to-day, remind me unmistakably of the quilts that my grandmother used to make of so many multi-coloured pieces of linen and of so many different patterns that the dear old lady called them crazy work. That is what the Journal wrote on that date, that is not what it writes to-day.

It will be interesting to proceed a little further just to see how consistent is the amendment moved by the hon. leader of the opposition when compared with his attitude in the past. This charter was first granted in 1894 under Tory rule. It was renewed under Liberal regime until 1911. We ought to remember that date for the misfortunes that then befell the country. In 1912 the charter was amended, and Mr. White, the Tory member for North Renfrew, sponsored the amending bill. In 1913 the charter was renewed at the instance of the same Mr. White, and also in 1915; in 1918 Mr. Fripp, one of the two Tory members for this city, obtained a further renewal and not a word of protest was uttered by any of our friends opposite; in 1924 Mr. McGiverin, the senior Liberal member for Ottawa, obtained another renewal and not the slightest protest was made by hon. gentlemen opposite—because the renewal of the lease of August 26, 1926, had not yet been made. The hon. member for Fort William (Mr. Manion) and the hon. member for South Wellington (Mr. Guthrie) were in the House in those days, but they kept consistently quiet.

Let me refer to some ancient history, but not so far back that it will be too uncomfortable. I hold in my hand a memorial which was submitted to His Excellency the Governor in Council in 1909. It is in the words following:

> We, the undersigned members of parliament,—

And may the House mark these words:

> —after carefully considering the transportation needs which seem to us must urgent for the present and future commercial, industrial and agricultural interests of Canada, desire to humbly but earnestly submit that the construction of the Montreal, Ottawa and Georgian bay canal should be commenced at an early date and completed as soon as possible.

It goes on, and I ask the House to mark the understandings:

> We understand that the Montreal, Ottawa and Georgian Bay Canal Company has made all necessary preparations and is ready and willing to commence and prosecute this work with all possible speed.

I find the signatures of various hon. members of that day and among them is the signature of "H. Guthrie, S. Wellington." The hon. member at that time "after carefully considering the transportation needs for the present and future commercial, industrial and agricultural interests of Canada" affixed his name to the memorial asking His Excellency to authorize the carrying out of the scheme. To be wrong once is bad enough, but to be consistently inconsistent is worse. Here is another memorial presented to His Excellency the Governor in Council in 1903. The parchment is rather faded, and probably it would have been very much to the liking of somebody if the signatures also had faded out, but fortunately I find it reprinted in a memorial which was submitted to the government some years ago. Let me quote the following at page 22:

> Confronted with the prospect of another delay and rebuff the friends and promoters of the canal in all parts of Canada called a meeting in the autumn of 1903 of members of parliament representing constituencies in favour of the Georgian bay canal.

The meeting was attended by a large number of members of parliament and the petition was submitted to Sir Wilfrid Laurier. Then it recites:

> We, the undersigned members of parliament, have given careful consideration to the subject of transportation in connection with the proposed ship canal from Georgian bay by Ottawa to Montreal.

And those gentlemen asked that the matter be at once dealt with and the scheme put through.

Mr. GARLAND (Bow River): Who signed that?

Mr. CHEVRIER: I find that the members for Ottawa at that time, Thomas Birkett and Mr. Belcourt signed the memorial and at page 3 it is very interesting to notice the signature of "Hugh Guthrie, South Wellington."

An hon. MEMBER: He was a Liberal then.

Mr. CHEVRIER: "Oh! consistency what crimes are committed in thy name." Now we find that the hon. gentleman on two distinct occasions under his own signature has asked for the renewal of this charter and the completion of the canal after having given careful and considered attention to the question of transportation.

Mr. GARLAND (Bow River): Perhaps he has reformed since he became a Conservative.

Mr. CHEVRIER: Well, the hon. gentleman himself has said nothing, but following out the thought of my hon. friend from Bow River I think the hon. gentleman looked better in his old clothes.

Now, after having twice sanctioned the principle, after having twice said that the problem of transportation had been carefully looked into, the hon. gentleman gets up in this House and moves his amendment, stating as his reason for so doing:

> I cannot conjure up before my mind any graver matter of public policy at this moment in Canada than the great question of transportation. We have in this bill a proposal that a private corporation shall construct a great transportation work.

Exactly the same charter that is sought to be renewed to-day, a charter that was in existence when the hon. gentleman on two different occasions put his name to a memorial asking for its renewal. Oh, consistency, where art thou!

I have no apologies to offer for sponsoring this bill, and I trust that I shall be able to see it to a proper conclusion. I am particularly happy to oppose this amendment as one of the two members for this city.

Mr. ADSHEAD: Does the hon. member imply that the amendment submitted by the hon. leader of the opposition has some ulterior motive behind it?

Mr. CHEVRIER: Mr. Speaker, I have said nothing else but that all along. I submit that the amendment is a smoke screen for the purpose of endeavouring to kill this bill without investigating its merits before a committee. As I say, I am delighted to sponsor this bill as one of the members for Ottawa. Others have done so before, and up to this moment not a single protest, except from the phonograph of Mr. Graustein and the victrolas of the Ottawa Citizen and the Ottawa Journal, has come to my ears by way of objection to the stand I am taking. Ottawa in the past has always stood for the construction of the Georgian bay canal in exactly the same terms as the charter is now submitted for renewal.

Sir GEORGE PERLEY: I should like to know, simply for my own information, what interest Mr. Graustein or the International Paper Company has in the Georgian bay canal either for or against it?

Mr. CHEVRIER: They have no interest in the Georgian bay canal, but their interest is this: that just as the Hydro is purchasing power from the International Paper Company their intention is to stop anybody else from getting power in the manner in which

I will show this company can get it; so that the power will remain in their own hands, and they will turn it into a gigantic monopoly. I realize that a member of parliament has the dual obligation of representing his own constituency, and at the same time forgetting when in parliament that he represents that constituency only, and that under our parliamentary system he must have regard to the good of Canada as a whole. In so far as Ottawa is concerned we favour the construction of the Georgian bay canal because it will reduce transportation rates, notwithstanding what the leader of the opposition says; secondly, it will turn Ottawa into an ocean port, with all the advantages that go therewith, and incidentally it will reduce the cost of fuel in this city by some $700,000 a year, as shown by the report of the Fuel board.

Mr. GARLAND (Bow River): I am sure my hon. friend does not wish to mislead the House, but in view of the contradictory statements in the editorial columns of the two daily papers I ask him to support his statement that Ottawa desires the construction of this canal, by reading a resolution from any representative body in support of the proposition.

Mr. CHEVRIER: It would require as much paper as my hon. friend consumes in writing his speeches if we introduced these resolutions and presented them in this House. Up to the moment, there has not been one serious resolution against it, except the small resolution of the Allied Trades and Labour Council. The city council has not said anything about it at all, and if they did I know where the opposition would come from—from somebody connected with the Ontario Hydro.

Mr. SPENCE (Parkdale): Have you got the city council muzzled that they do not say anything?

Mr. CHEVRIER: I am in the very fortunate position of having nothing to do with the city council. This scheme would cheapen the cost of fuel in Ottawa by over $700,000 a year. In Arnprior it would reduce it by $1.33 per ton, in Pembroke by $1.90 per ton, Mattawa by $2.10, Haileybury $2.13, and so on.

Mr. PETTIT: How does my hon. friend arrive at that statement?

Mr. CHEVRIER: I did not arrive at the statement myself. I am reading a statement that was prepared by Mr. Neate, superintendent of the Fuel board in Ottawa. If he is wrong I am sorry, but I do not think he is wrong.

[Mr. Chevrier.]

Mr. WOODSWORTH: Why refer to this question of navigation after the statement of the Minister of Railways?

Mr. CHEVRIER: That is very easy to answer, and I will come to that. I do not mind interruptions, I welcome them. I might just as well say now that this charter, as I see it, is a canal charter and nothing else. It is primarily a canal charter with certain rights and obligations incidental thereto. The primary intent of this charter is the construction of a canal before anything else can be done. I stand by that and by that alone, and my own legal training and understanding and my common sense tell me, after having read the charter, as I will do again later, that it is a charter for the construction of a canal, and the development of the surplus power resulting therefrom. I will read the section dealing with that matter later.

I am asked if anybody in the city is against the canal. I have before me an absolutely independent newspaper, neither Grit nor Tory, owing allegiance to no party, a paper which fought me in some elections and I propose to read to the House what this French-Canadian paper in the city of Ottawa, Le Droit, said in connection with the Georgian bay canal at Ottawa. I give that paper credit for expressing its opinion courageously and fearlessly. On March 8, 1927, Le Droit published the following:

> The Georgian Bay Canal Company requests, for the fourteenth time since its inception, the renewal of its charter.
>
> It was an excellent opportunity to re-open the discussion on the advantages which the country might derive from the construction of this essentially Canadian waterway, and the opportunity has not been allowed to slip by, seeing that since a week and a half it is the fourth time that the subject has been debated. A remarkable feature: the Tories, those haling from Ontario especially, condemn the project as being far less advantageous than that of dredging the St. Lawrence in order to reach the great lakes by way of the Welland canal, and upon which the government has unwisely invested as much as $75,000,000.
>
> By this attitude, these Tories shatter the traditions of their party. In fact, if we refer back to Sir John Macdonald—

They tell me that in the time of Sir John Macdonald the question of power was not discussed. In 1898 a Senate committee, charged with investigating these conditions, reported as follows:

> Furthermore your committee are unanimously of the opinion that the development and use of the enormous water-power along the route for electrical purposes in the mining and smelting of iron and other ores, which are so abundant in the Ottawa valley, and which cannot now be

developed by reason of the want of cheap communication and transportation, would of itself alone warrant the construction of the canal.

Now, Mr. Speaker, could anybody in the House say that these statesmen lacked forethought and vision when they made this report? Now we proceed with the citation from Le Droit:

—if we refer back to Sir John Macdonald, we find that he made a statement of this kind: "The Ottawa canal and the Pacific railway must be constructed and no voice should be raised against the great national work which would open the western states and colonies to the seaboard".

It is just exactly the opposite of what was advocated yesterday afternoon by General Ross of Kingston, who wished to see the Georgian bay canal doomed because it would compete with the railways. Much later—we come to the views held by Sir Alexander Mackenzie who, in 1876, declared himself irrevocably in favour of this canal—Sir Robert Borden, in 1914, at the time he was Prime Minister, stated: "Our aim is to retain Canadian trade over Canadian routes and to follow, as much as possible, the policy which consists in having this trade move from east to west".

These three Conservative opinions suffice to prove that the Tory party, up to recent times at least, were in favour of the dredging of the Ottawa, the Mattawa and the French rivers, in preference to that of the St. Lawrence.

The late Paul-Emile Lamarche, who died at the age of thirty-seven after a political career the usefulness of which was in inverse ratio to its duration, in February 1914, on the floor of the House expressed the view which all true Canadians should to-day study in its bearings in order to remain permanently Canadian. We advise this same study to those who are not enough Canadians and who would like to become more so. Mr. Lamarche, after having disproved clearly all the objections which were then brought to bear against the construction of the Georgian bay canal, faces the question squarely and shows the advantages which would result from this enterprise and which the interests of Canada necessarily require. "The Georgian bay canal scheme", he stated then, "should include among its most enthusiastic supporters all those who not only endorse but also sincerely believe in the motto: Canada for the Canadians!" The whole of his magnificent speech is permeated with this patriotic motto and those pages are not only a homage to the youthful orator who conceived them, but to the Canadian race which gave Canada such a statesman.

It is more and more evident that these opponents of this essentially Canadian water route are the victims of a narrow patriotism, a sectional patriotism, perhaps also the victims of large foreign interests. For, after all, if the Americans did not find the dredging of the St. Lawrence to their advantage, they would not support it so willingly. It is not among our neighbours to the south that practical philanthropy exists the most.

Mr. GARLAND (Bow River): Does it exist among the Sifton interests?

Mr. CHEVRIER: Probably if the hon. gentlemen knew these people he might be able to say so himself.

Therefore, the scheme of the opponents to the Canadian canal would be to discredit the project which has a chance of success in order to better establish the necessity of another enterprise which suits them better. It seems that the best advice which could be given to the latter would be to take a broader view so as to enable them to embrace more generously the interests of Canada and Canada only.

I come now to the question asked me a moment ago: Is this a canal charter or is its object the development of power? Well, no matter how the question may be argued; no matter what is said, I affirm that under the terms of the charter which the promoters of this bill are endeavouring to have renewed, nothing is contemplated but the construction of the canal. Although there are other sections of this legislation relating to the disposal of surplus power in connection with the construction of these works, the fact remains that the backbone of the whole scheme is the canal. And the whole purpose of the opposition to the bill now before us is concerned, not with the fear that the canal will not be built, but with the development of power at Carillon.

Mr. ADSHEAD: Did not the Minister of Railways (Mr. Dunning) make the statement that it was a struggle between two parties to obtain the power?

Mr. CHEVRIER: The minister may have made that statement but I now say what the position is. I say that the subject under discussion is an application by the Montreal, Ottawa and Georgian Bay Canal Company for a renewal of the charter granted in the first place in 1894 and subsequently renewed until the first of May, 1927. Bill 78, presently under consideration, has been introduced for the purpose of extending the charter, not as it stood when introduced in 1894 but as it was at the date of its last renewal. Let us see what the charter was like when last renewed. Hon. members on the Conservative side of the House have spoken at length about this charter, but they have not quoted one section which has not been repealed. Every section they have mentioned has been repealed and reënacted, yet not one of these hon. gentlemen was aware of that fact. If therefore we are to listen to arguments based upon sections of an act which have been repealed and reënacted, it is high time that we sent this bill to the committee to have the whole subject properly aired.

The charter was first granted on July 23, 1894, and the power provisions were then embodied in section 8 (a). But that section has been repealed, having been reënacted in section 4 of the act of 1896; and section 8 (g) upon which the hon. member for Fort William

(Mr. Manion) based his whole argument was also repealed and reënacted in totally different form in 1912. The power clause of the original charter, section 8 (a), allowed the company to lay out, construct and build the canal, reciting the details, and it was repealed by section 4 of the act of 1896. The section which now empowers the company to construct the canal is to be found, let me say for the edification of my hon. friends opposite, in 60 Victoria, chapter 11, and is, as I have said, section 4. The act reads:

Section 8 of the said act is hereby repealed and the following substituted therefor—

My hon. friend did not know that.

Mr. MANION: Were any powers taken away from the company by the repealing of that section and its reënactment in another form?

Mr. CHEVRIER: Tremendously, in 1912 particularly, in the section with reference to power.

Mr. MANION: Go ahead and deal with it.

Mr. CHEVRIER: In section 8 (a), which was afterwards repealed, the powers of the company are defined, the company being allowed to lay out, construct, maintain and operate the canal or canals, at and from certain points described, the canals to be of such dimensions as will make a navigable channel nine feet in depth. That is the provision of the original charter. Now let us look at section 8 (g) as quoted by my hon. friend from Fort William at page 942 of Hansard. The company is to have the right to—

—lay out and lease or otherwise dispose of water lots, and use, sell, lease or otherwise dispose of water brought by or for the said canals or works but not requisite for the same, and produce, lease and supply, or otherwise dispose of hydraulic, electric and other kinds of power in connection with the works hereby authorized.

That provision was repealed in 1912 and is now contained in section 5 of the amending act of that year. I will not now deal with it at length, because it enters into another portion of my speech which I do not wish to take out of its order.

Mr. MANION: Has the right to develop electrical power been taken away from the corporation?

Mr. CHEVRIER: No.

Mr. MANION: That is the point I made. It is absolutely the only point I quoted the section to show.

[Mr. Chevrier.]

Mr. CHEVRIER: My hon. friend and I must agree to disagree. He knows the English language much better than I do, and if I make mistakes he will correct me. Section 8 (g) of the original charter was repealed in 1912—I will show under what conditions—and the following was substituted therefor:

—produce, lease, supply or otherwise dispose of surplus—

Mark the word "surplus" because I shall comment upon it when I sum up the argument.

—hydraulic, electric and other kinds of power developed in connection with and for the purposes of the works hereby authorized, the rates or prices at or for which such hydraulic electric power may be disposed of by the company to be fixed or determined by the Board of Railway Commissioners for Canada in accordance with the provisions of section 360A of the Railway Act.

If my hon. friend will now revert to this section and read it he will see the vast difference between section 8 (g) of 1894 and section 5 (g) of 1912. My hon. friend and everyone else on the other side based their arguments on the power sections which have been repealed.

Mr. YOUNG (Toronto): I rise to a question of privilege. I quoted the section from the act of 1912 precisely as my hon. friend is now quoting it, and it is not fair to say that all hon. members on this side were wrong in the citation they made. I was right and I was not the only one.

Mr. CHEVRIER: The hon. gentleman may have quoted the section I have given, and I have no quarrel with him if he did read section 5 (g) of the act of 1912. But if he followed that section to its logical conclusion he must inevitably have reached the decision that the power incidence of this charter is purely and simply subsidiary, and that the charter is one for the construction of a canal—the provision for the disposal of surplus power resulting therefrom having been added subsequently. By no distortion of the English language, by no process of alchemy and by no vision of mind can anyone turn this section into anything else, or give it any construction but that which I have placed upon it.

Mr. MANION: May I ask a question? Did I not take as well the stand that I opposed the construction of a canal by a private corporation; that I opposed not only the power schedule but the canal schedule as well? I opposed both, and do so yet.

Mr. CHEVRIER: That may be of some value in the eyes of my hon. friend.

Mr. MANION: But my hon. friend is entirely trying to mislead the House in regard to the attitude I took.

Mr. CHEVRIER: If I have said anything of that kind I am sorry; I do not mean that. I mean that all through this discussion every hon. gentleman opposite—I grant you in absolute good faith and with the very best of intentions; they have discussed this matter with no idea of deceiving anyone—have discussed this matter on sections which have been repealed and are not now in the law. If these sections were in the law to-day they would produce exactly the effect hon. gentlemen have said they would, but fortunately these sections are no longer in the act.

Mr. ADSHEAD: Did not my hon. friend tell me a few moments ago that the hon. gentlemen to my right were insincere and had ulterior motives in this matter?

Mr. CHEVRIER: Yes, and I repeat it. I said, Sir, that when these gentlemen quoted sections of the law which have since been amended, in that part of their argument they honestly believed they were discussing what was the law. As to that there can be no difficulty; but I say as well that their argument, specious as it is, is purely and simply a smoke screen to prevent the construction of this canal. While we are at it, let us consider this section, because the whole of the argument turns upon its interpretation. When this charter was originally granted it was obtained for the purpose of constructing a canal; if Hansard is looked through the fact will be revealed that there was no discussion as to the desire of those promoting this bill simply to produce power and forego the construction of a canal. But power in those days was not an unknown quantity; power was not something out of the vision of those who granted this charter. I have just read an extract from the report of the Senate committee of 1898, the charter having been granted in 1894, and that committee considered the question of power to be of tremendous importance. But no matter how great or how important that power may be the charter must be read in the light of day and according to its exact wording; one must place an interpretation on the words contained therein, and by no construction can anyone say that the primary motive of this charter was the securing of power. So much has public opinion been distorted in this House, willingly in certain quarters and innocently in others, that the hon. member for Toronto Northwest (Mr. Church) on February 16 asked for a return of the House in these terms:

> For a copy of all applications, letters, reports, orders in council, correspondence and all other communications between the government and any other person or persons as to the renewal of charters or agreements, or extension of the same, regarding the Ottawa, Montreal and Georgian Bay Canal Company, for power and navigation rights on the Ottawa river.

There must have been some idea in the mind of the hon. member that some negotiations were proceeding for the purpose of securing the power alone, but what did he find? The return came down and there was not a tittle of evidence or a scrap of paper of any kind to show that at any time this corporation had expressed a desire to forego the canal rights and substitute therefor the power rights. The primary idea of this company was to build a canal, and that is the idea to-day.

I am an Ontario man and believe in public ownership; I have the greatest respect for the memory of Sir Adam Beck, and it is due to his genius and his perspicacity and sense of business that this system of public ownership was developed in Ontario. But I cannot say as much for those who have succeeded him. This charter was granted in 1894; section 8 (g) which I have just quoted was included in the bill until 1912, when Sir Adam Beck, seeing into the future, knowing the possibilities of hydraulic power in Ontario and looking to the future needs of the people of Ontario, saw that this charter of 1894 granted too many powers and rights in connection with the development of hydraulic power. He came to Ottawa and appeared before the committee which, Sir, shows the necessity of having a matter of this kind referred to a committee. When Sir Adam Beck appeared before that committee the matter was thoroughly threshed out and discussed, and what happened? The company agreed that its primary intention was the construction of a canal and nothing else, and they also agreed to the adoption of this amending section which took away the vast powers granted in 1894 under section 8 (g). The new section reads as follows:

> Produce, lease and supply, or otherwise dispose of surplus hydraulic, electric and other kinds of power—

What does that mean? I may not be quite familiar with the English language, and I may not be able to understand every word of this section, but when I see the word "surplus" I ask myself what it means. A surplus is something left after you have done something;

what you have left after paying your debts is a surplus, something I do not have, but that is what the word means. Now, where is this surplus power; where can anyone get surplus power unless a canal is first constructed and unless some power is used for the development and maintenance of the works? Then what is left is the surplus, and that is what the company would have the right to dispose of under the control of the railway commission. I defy any hon. gentleman in this House, no matter how learned he may be in law or otherwise to place any other construction upon this section, which limits the disposal of power to that surplus. A canal must be constructed, after which that surplus may be dealt with.

Mr. ADSHEAD: Which section was the Minister of Railways (Mr. Dunning) referring to when he made the statement that this was a strife between two parties over this power?

Mr. CHEVRIER: I want to be courteous to my friend, but I think that question should rather be addressed to the minister himself. I do not know what section the hon. gentleman has in mind, nor do I know what section the minister had in mind when he made the statement referred to. But no matter what statement has been made, at any time, anywhere or by whom, can we by any process of distortion argue that that section does not mean what I have just said it means?

Mr. CAMPBELL: There seems to be a direct conflict between the statement of the hon. gentleman and the statement of the Minister of Railways. That is what the hon. member for East Calgary (Mr. Adshead) is trying to get at.

Mr. CHEVRIER: There is no difference at all between us. It is dangerous to repeat a statement unless you have before you the actual language used, but the bone of contention was the power, and I suppose that is what the hon. gentleman refers to. Now any hon. gentleman in this House can make any statement he cares to if he is honest in doing it; but I refuse to change to the extent of one iota the interpretation which I place, and which everybody else should place, upon that section in reading it in the light of day.

Mr. CAMPBELL: Mr. Speaker—

Mr. CHEVRIER: I am trying to answer the hon. gentleman. This charter is essentially a canal charter; on that we are agreed I think. True there is a bone of contention. The Tory party is anxious to secure that power at Carillon for those to whom they had already leased it. May I say that the power at Carillon is not worth anything to this company unless it has built the canal there. Until that is done, the power at Carillon does not mean five cents to this company, it is absolutely waste energy so far as this company is concerned. Because this company, under the terms of its charter, cannot sell any power until the canal at Carillon is constructed. Then if there is any surplus of power left it may dispose of it under the terms of the section.

Mr. GARLAND (Bow River): The hon. gentleman again does not wish to mislead the House, does he? Therefore, will he answer this question?

Mr. CHEVRIER: If I can.

Mr. GARLAND (Bow River): Is it a provision of the bill that the sale of surplus power shall not take place until the canal is built, or that it shall take place as each section of the canal is built?

Mr. CHEVRIER: That is a very pertinent question, indeed, and one which at this stage of the proceedings I cannot bind anybody to, but the reasonable, logical, and honest proceeding would be this: the canal should be first constructed; that the surplus power should not be used until the whole of the canal has been built; that the proceeds derived from the sale of the surplus power should not be used for the private purposes of the company, either in the payment of dividends or otherwise, until the whole canal has been built. That is a sensible view to take.

Mr. STEVENS: Where can my hon. friend show this House any clause, sentence or reference, direct or indirect, that carries out such a suggestion?

Mr. CHEVRIER: What suggestion?

Mr. STEVENS: I say that my hon. friend cannot point to any clause in support of his statement.

Mr. CHEVRIER: What statement, please?

Mr. STEVENS: The one you have just made, the preposterous statement you have just made. My hon. friend cannot point to any clause, any statement, or any inference in this bill before the House, or any of its predecessors, that carries out what he says. It is certainly the most preposterous thing I ever heard.

Mr. CHEVRIER: It is a most preposterous thing for the hon. gentleman to make such a statement, in view of what this char-

ter contains. However I will say this: If there is not such a provision in the bill at the present time I will see that one is inserted when the bill is in committee.

Mr. STEVENS: You said it was there already.

Mr. CHEVRIER: I did not say anything of the kind. I said the objection was well taken, and that from a business point of view there ought to be such a stipulation inserted, but how can we get such a stipulation put in unless we send the bill to a committee and have it investigated there? The course proposed by the opponents of this bill is a most inconsistent way of proceeding, and is a most unjust way to treat an application made to this parliament.

There is another feature about this bill. My hon. friend from Fort William (Mr. Manion) said—and I will deal with that point later on—and the hon. member for North York (Mr. Lennox) particularly put stress on it, that this company because of its charter has the right for the next nine years to take any water-power, to develop it, to refrain from expending the $50,000 called for, in fact not to do anything in the way of constructing the canal, and that after the nine years the government may step in and take only that portion of the works which were not completed, but that the power development, the power plant, will remain in the hands of the company.

Mr. MANION: Hear, hear.

Mr. CHEVRIER: My hon. friend said "hear, hear" too soon. Let us look at section 43 which was repealed.

Mr. MANION: Why not read section 1 of the bill before the House?

Mr. CHEVRIER: We are talking about the charter. We will talk about the bill when the time comes.

Mr. STEVENS: Section 43 of what act?

Mr. CHEVRIER: Section 5 of the act of 1906. That section reads as follows:

Section 43 of chapter 103 of the statutes of 1894 is hereby repealed and the following is substituted therefor:

43. His Majesty, his heirs and successors, may at any time assume the possession of, and the property in, the said canals and works,—

Canals and works.

—and of and in all the rights, privileges and advantages of the company on giving to the company one week's notice of intention to do so; and thereupon all property in the said canals, works, rights, privileges and advantages shall become, and thenceforward shall be, vested in His Majesty, his heirs and successors; and by way of compensation His Majesty shall pay to the company the value of the work—

Mr. STEVENS: Read the balance.

Mr. CHEVRIER: Of course, it is only a waste of time:

—actually done by the company up to the time of the giving of such notice in surveying, and in the making of plans, and otherwise upon the ground, together with the value of all tangible property of the company of which possession may be so taken,—such values to be fixed by three valuators, or the majority of them, one valuator to be chosen by His Majesty, another by the company, and the third by the two so chosen.

Now, for instance, suppose that we take up this work at Carillon. We have eight years under the bill to build it, but our powers are defined in the charter, and if we start to turn one sod for the construction of a power plant at Carillon or elsewhere, Thomas Jones, Bob Smith, anyone can take out an injunction to restrain us from going ahead. In other words we have no right to do it, the charter falls by the wayside and we have not got the right to proceed. I defy any man in this House to show how it can be constructed otherwise. We have not got the right to turn one sod for the construction of a power plant unless we have built a section of the canal that develops that power, and we can only sell the surplus of the power which results from the construction of such work. If, after this charter was renewed, we started to build a power plant along this route, because of ignorance—no, it would not be ignorance now because I have divulged the whole thing. Had I not said what I have said perhaps hon. gentlemen would have not known about it, and then we could have gone along and for eight or nine years built up and developed this power. Nevertheless at the expiration of that time or at any time the government, on seven days' notice, could step in and wipe us out and that would be the end of the thing. Where are the jokers in this charter? The charter is absolutely clear and above board. After this charter has been ventilated in this House and before the committee on thirteen different occasions, will hon. gentlemen, like Daniels come to judgment, come into this House at the eleventh hour and find riders or jokers in this lease when none was found heretofore? Such a thing is preposterous and the smoke screen is getting thinner all the time.

Let us come to some of the statements that have been made by hon. gentlemen who have spoken on this matter. I have the greatest

respect for the hon. member who represents in such a dignified manner in this House the wonderful county of Argenteuil (Sir George Perley). But I just wonder, and quite charitably also, what stand he will take when we come to vote whether this bill shall go to the committee or not. I quote his remarks as reported in Hansard at page 764:

So far as I am concerned I have no expectation or idea of trying to keep this bill from going to committee; we all know very well that cannot be done and we have no wish to do so. We do wish, however, to have it fully discussed here before going to committee in order that it may be thoroughly understood by every one.

Did the board of strategy consult the hon. member for Argenteuil when they drafted that amendment? If so, they have put him into a box. At page 917 of Hansard he is also reported as saying:

It is not my intention to prevent the bill from being referred to and being considered by the committee on railways.

I am satisfied that at least one hon. gentleman on that side of the House will break that line of inconsistency and vote to send the bill to committee. In another place the hon. gentleman was asked this question by the hon. member for Marquette (Mr. Glen):

Mr. Glen: Before the hon. gentleman resumes his seat I would like to ask him, just for information, how it is proposed to separate the development of the water-power and the construction and operation of the canal, having in view the paramount need of navigable waters.

The hon. member for Argenteuil then said that if the bill was sent to a round table the matter might be threshed out. Why does he not send it to the committee now? The hon. member for Fort William (Mr. Manion) as reported on page 918 of Hansard made this statement:

I am not trying to block it from going to committee.

I shall be delighted to see the hon. member for Fort William kill this amendment because—

Mr. MANION: I intend, with great pleasure, to vote to kill the amendment—or rather to vote for the amendment in order to kill the bill.

Mr. CHEVRIER: My hon. friend may expedite patients in the other world in any way he may be able to arrange and distribute spirits in the way in which spirits may be distributed without any harm to the spiritual, but it may not be quite so well for him to take this stand and go back upon such a clear statement.

Mr. MANION: I am not trying to block the bill from going to committee.

[Mr. Chevrier.]

Mr, CHEVRIER: What is the effect of voting for the amendment? It would effectively block the bill from going to the committee.

Mr. MANION: The effect of voting for the amendment is to kill the bill.

Mr. CHEVRIER: The bill will not go to the committee if it is killed in this House, and yet my hon. friend, as reported in Hansard, says that he has no intention whatever of blocking the bill from going to committee. Nevertheless he will put it on the block now and cut its neck off.

Sir GEORGE PERLEY: I am sorry I was not in the House a few moments ago. Was the hon. gentleman referring to me in that remark?

Mr. CHEVRIER: No. I am sorry the hon. member for Argenteuil was not here when I mentioned him. I was through with the hon. member.

Sir GEORGE PERLEY: I suppose the hon. member had finished him.

Mr. CHEVRIER: I think he is finished by this time unless he votes against the amendment.

Sir GEORGE PERLEY: As the hon. gentleman has referred to me, may I be allowed to explain? What I stated in my remarks on the second reading of the bill, I still stick to, I reiterate. I did not start out with the intention of endeavouring to keep this bill from going to committee, but to my surprise it has created such a feeling throughout the country that it is quite evident that the general public would like to see the bill defeated. I expected to see it go to committee and I hoped to defeat it there. My object was to see that this charter was not renewed. As the leader of the opposition (Mr. Guthrie) has moved the amendment in the way he has, in consequence of the general feeling of the public on the subject, I shall certainly, with great pleasure, support his amendment.

Mr. CHEVRIER: I am not at all surprised at the quick turn-about and acrobatic feat of the hon. gentleman. It is well known to be a Tory rule that hon. gentlemen can wiggle out of a tight corner faster than anybody else can, but sometimes that is not quite to their credit. There was no reason for making the statement which the hon. member for Argenteuil made unless he was sincere. This bill has been before the House on thirteen occasions; nobody knows better than the hon. member what is con-

tained in it and what its purport is. I have enough confidence in the hon. gentleman to know that had he known that amendment was to be submitted he would not have said what he did say. He can get out of the fix in any way he wants, but he stands committed in Hansard as saying one thing and now he says that he will do the other.

I find another quotation from the speech of the hon. member for Fort William. When this question goes to committee, he said, and he was honest at the time—

Mr. MANION: And at that time the bill had a chance of going to committee. We are hoping now it has not.

Mr. CHEVRIER: My hon. friend did not see the light of day. Has he been travelling to Damascus these last days, and will he say that the light which the leader of the opposition hung over his head was the light that showed him what to do in the matter?

Mr. MANION: I saw an easier method of killing this bill; that was all.

Mr. CHEVRIER: But my hon. friend is doing neither justice nor adding grace to his statements in Hansard. If he intends to follow out his political career in that manner, that is, to say one thing and do the other, he is quite welcome to do so, but I would be sorry to see him do so. That is Tory consistency! Of course, Mr. Speaker, when we look across the House and see the consistency of these gentlemen, at one time sitting on one side and at another sitting on the other side, we are reminded of that virtue of Toryism. My hon. friend from Fort William asked, why not develop this St. Lawrence scheme and divide the total cost between the two countries in proportion to the benefits received. That is a wonderful scheme—so long as peace lasts. But what would happen in time of war?

An hon. MEMBER: There will be no war.

Mr. CHEVRIER: I hope so, I trust that Divine Providence will so ordain. But some five or six years before 1914 the same hon. gentlemen were saying the same thing. The construction of the Georgian bay canal, remote from the international border, is not a new scheme. It was ventilated in 1898 before a Senate committee, when Major-General Gascoigne gave evidence on this feature, showing that the authorities in those days were farsighted.

Mr. GARLAND (Bow River): Does the hon. gentleman seriously wish the House to believe that in view of the great industrial future of this country, because of the danger —shall I say?—of a militant conflict with the United States, we are never to develop the St. Lawrence waterway? The suggestion is absurd.

Mr. CHEVRIER: I am not an idealist, perhaps I am imbued with sentiments that are too practical. I do not like to propound wonderful theories and then bury my head in the sand as I have seen ostriches do in South Africa. I prefer to look everything square in the face and get the best solution possible. I do not like to wait until a threatening danger crushes me; I try to get it out of the way.

One of the hon. gentlemen from Winnipeg said that when the charter was granted there was no idea of the value of electrical energy. I have shown that that element was considered in the Senate report of 1898.

Now let me refer to page 968 containing the remarks of the hon. member for North York (Mr. Lennox). If one should give attention to the wonderful campaign speech which the hon. member made it should be only the degree of attention which his remarks deserve after a reference to what he said at page 975. The hon. member for South Battleford (Mr. Vallance) asked this question:

The hon. member—

Referring to the hon. member for North York:

—said this bill went before the committee thirteen times. Was it not passed in the House without going to the railway committee?

The hon. member for North York answered:

Perhaps I made a mistake. I apologize. If it went before the committee thirteen times, I would not object, but it was before the House thirteen times. The House extended the charter without even sending it to the committee.

Then the hon. member for South Battleford continued:

The hon. member said it went before the committee thirteen times.

To which the hon. member for North York replied:

I apologize. I should have said it went before the House, and the House extended it without sending it to the committee.

By what process of alchemy or procedure can that be done? But that is the sort of information that the hon. gentleman furnishes

to enlighten the House and the country with reference to this charter. He continues in the same vein at page 968.

> Upon payment of $50,000, which will be returned if the canal is not constructed, this company is getting a charter to build the canal and to develop the water-powers for a period of nine years.

With that fallacy I have already dealt and have shown that the company cannot turn a sod for the purpose of utilizing the power unless the portion of the canal developing that power has been constructed, and that it is only any surplus power that can be disposed of. The hon. member for Grenville-Dundas (Mr. Casselman) also spoke against the renewal of the charter. It is surprising that when hon. members discuss this matter in good faith they occasionally make statements which are in error, and unfortunately when this erroneous information appears in Hansard and is read by other members who have not had an opportunity of studying the subject they are likely to gain an entirely wrong impression. The hon. member for Grenville in the course of his speech stated:

> When the charter was first granted it contained no clause authorizing the promoters to develop hydro-electric power . . . . To that scheme we now find added a power scheme.

That is wrong. The hon. gentleman did not read the charter, yet he gets up on the floor of the House and makes that statement. The charter did not contain those powers when originally granted, but it was amended in 1912, and he knew nothing about it. Then he proceeds to enlighten public opinion as I have cited. Apparently the board of strategy consulted the hon. member for Toronto Northwest (Mr. Church), because he said that he was opposed to the motion and to the amendment!

Mr. PETTIT: Does the hon. gentleman anticipate that there will be surplus power available?

Mr. CHEVRIER: I hope so.

Mr. PETTIT: And considerable of it?

Mr. CHEVRIER: Mr. Speaker, I understand the hon. gentleman asks me if there will be power, and, if so, how much. I am able to say that undoubtedly there will be power. You cannot construct a canal on the Ottawa river where these water-powers are without creating power. But what will be the resultant power from that construction I do not know. I do know that no matter how much power is developed in the course of constructing the canal all that this company will be able to dispose of will be the surplus, and the rates to be charged for that surplus will be controlled by the railway commission.

Now, the hon. member for East Toronto (Mr. Ryckman) in the course of his speech last Friday stated at page 1358 of Hansard:

> Here again I for one have to make a confession, which is something I do not like to do.

Well, the hon. gentleman had done nothing to be ashamed of. He continued:

> This bill absolutely fooled me. . . . the bill of 1924 contained a saving clause which protected the rights of the country. That clause is omitted from the bill now before us.

He is mistaken. The section in question is No. 43, and the charter is still alive and will continue in any case until the 1st of May this year. It surprises me that such an able lawyer should make a declaration of that kind.

Now we come down to this statement of the question: The building of this canal by the corporation and the development of power therefrom; or no canal at all and the development of power by interests of some kind. The building of the canal under the terms of this charter will ensure under the Railway Act the supervision of rates by the railway commission and fair treatment to everyone. The construction of power under private interests assures the consumers of nothing at all. Under the present system, as will be found out in this instance, the Hydro-electric has been purchasing power from the Gatineau Power Company, the Ontario Hydro has no plant of its own to develop the power. The Ontario Hydro purchases power and sells that power, and it says it sells it at cost. But what is the cost? I am unable to say what the cost is, but surely there is an increase in these various transactions which would not exist if the sale were direct. The whole matter therefore simmers down to the question of the construction of this canal with power, or no construction at all, and the development of power by private interests.

Mr. GARLAND (Bow River): Is the hon. member advocating that the private interests develop the power under this canal scheme and sell the power direct to the consumers in Ontario, in violation of the principles of public ownership?

Mr. CHEVRIER: No. I said at the outset that I believe in public ownership, but public ownership properly handled, not the public ownership we are having to-day. But, at the same time, in a matter of this magnitude, with this amount of power to be developed, I am quite satisfied that this company may, by the conditions under which the charter is granted, dispose of power at

such price as will be reasonable, and that there will be no increased cost other than that which the Hydro electric is now charging.

The statement has been made that the investigation of the rates could not be properly carried on by the railway commission. An hon. member has said that the railway board would have to take the figures of the corporation as they presented them. The railway board has been investigating transportation rates for months and they have been investigating the telephone rates, and surely we should believe in the sincerity and accuracy of the railway commission in an investigation of that kind. It is a slur on the railway commission to suggest that there will be a lack of confidence in the way in which the railway commission would investigate these rates and endeavour to come to a satisfactory conclusion. It is a slur which I resent. The International Paper Company is operating a plant across the river at Hull. It is operating another one at Des Joachims on the Ottawa river. Where are the apostles of public ownership in northern Ontario? Where are they when they find the International Paper Company is already on the scene preparing for further development? Of course that is the International Paper Company and my Tory friends will not interfere. Many of their friends are directors of the company. On March 11, 1927, the Ottawa Journal published the following:

> The running streams commission of the province of Quebec is anticipating a request for a report from the Quebec legislature on the power resources of the upper Ottawa river, with a view to dealing with a request for development, is the information given from an authoritative source close to the Quebec government. The announcement is in keeping with the trend of events along the river, particularly at Des Joachims, where gangs of men believed to be in the employ of the International Pulp and Paper, or allied interests, were busy all last summer, and where preparations are being made for another season's work. The informer volunteered the information that the running streams commission is hastening its task of securing all possible data as to power development at Des Joachims.

Here is another instance where the tremendous octopus is endeavouring to place its ramifications on all the water-powers of the Ottawa river, and where are the apostles of public ownership now? Why do they not interfere? Why does the hon. leader of the opposition not do something to stop this proceeding?

I am not going to enter into a discussion as to the advisability of this canal or of its conditions. Everybody is prepared, I think, to admit that it is feasible and that it can be carried through to good advantage. I want now to leave out the canal and the power question for the moment, because certain allegations have been made as to why this charter is still before the public. This charter was granted in 1894, and hon. members say that the charter has lain dormant ever since, and that is one of the reasons why it should be refused. That charter has not been dormant during these years. The charter was granted in 1894, and from 1894 to 1907 the company proceeded with a number of surveys. Hon. members know that this canal extends from Montreal to the Georgian bay. That is not an enterprise which can be completed or surveyed in a few days. It takes years to survey it and years to investigate the conditions. From 1894 to 1907 surveys were made by the company. In 1907 the plans which this company prepared were filed with the then government. The government was not satisfied with the plans for some reasons, and some of those reasons were these: it was thought at the time that a nine-foot canal was not deep enough. The government considered there were many things in the way. It was a matter of magnitude and the government considered it for some time. In 1908 the Public Works commission was formed, and from 1908 until 1912 this Public Works commission went over the whole survey made by the company in previous years, because the government said, "We are not satisfied with an ex-parte survey; we want our own engineers to make the survey. We want a check-up of your plans." From 1908 to 1912 the government of Sir Wilfrid Laurier spent $825,000 on this additional survey, and the result was the production of those books, five volumes, which all hon. members would do well to consult. Here is the result of those four or five years of survey. It cost the government of Canada $825,000 to do it, and yet hon. gentlemen who were then in parliament come and say that during those years the company did nothing.

Mr. CHAPLIN: The hon. member is confounding the company with the government.

Mr. CHEVRIER: I cannot answer questions from across the floor when I cannot hear them.

Mr. LUCAS: Will the hon. member say how much the company spent during those years?

Mr. CHEVRIER: If my hon. friend will allow this to go to a committee—

Some hon. MEMBERS: Oh, oh.

Mr. CHEVRIER: If my hon. friends are going to laugh, then that settles the argument. That is my answer to my hon. friend (Mr. Lucas). Let him shuffle. I would not spend any time—

Mr. LUCAS: I am not shuffling. I asked the question in good faith, and I thought it might be interesting to know how much the company has spent.

Mr. CHEVRIER: The company has spent since 1894 thousands upon thousands, the amount of which I do not know, but any one of the hon. members sitting on the opposition benches now, including the leader of the opposition (Mr. Guthrie) and even the member from Fort William (Mr. Manion) who was then in the House—

Mr. MANION: Not in 1894. Do not make me too old.

Mr. CHEVRIER: Well, after the hon. member came in. In the city of Ottawa, as every hon. member knows, offices were kept and employees retained at work on the plans. I am not prepared now to say just how much the company spent on lead pencils or on more costly undertakings up to surveys. That is a matter of detail for the committee to look into. But surely my hon. friend knows as a business man that a company of this magnitude could not possibly operate since 1894, obtaining renewals of the charter and keeping offices and a staff, without spending an enormous sum of money. I do not know what the initial survey cost, but inasmuch as the government expended $825,000 on the second, we may assume that the cost to the company to make the initial survey must have been upwards of a million. From 1908 to 1912 the company was engaged making this survey and preparing these reports. In 1914 the government surveyors were actively at work with the employees of the company, engineers and others, taking up these reports, and they continued their activities. If hon. gentlemen will send the bill to the committee they will get the whole history of the company, revealing in detail every step taken, every activity engaged in, every overture made to the government to bring the matter to a conclusion. I should be quite willing to stand here, if it were physically possible, and recite the whole history of the undertaking for the edification of hon. gentlemen. If I did, I am sure they could not fail to be convinced that the company has not, as has been suggested, lain dormant all these years. Between 1914 and the end of 1918 we were in the war period, and one hon. gentleman has magnanimously suggested that over that interval we should draw the curtain.

In 1921 there came the period of deflation, and in 1921 the charter was renewed, and there was not a single objection from any quarter of the House; no one protested. It was renewed again in 1924 without any protest from either side. No hon. gentleman at that time moved any amendment emphasizing the gravity of this matter from the standpoint of national transportation. My hon. friend himself signed his name twice to one of these memorials. In July of that year a renewal was obtained, and in December of the same year the company deposited new plans and specifications in accordance with the demands of the government. As a matter of fact plans had been submitted in 1907, and at the instigation of the government they were successively altered to increase the depth of the channel from nine to twelve feet, from twelve to fourteen, from fourteen to sixteen, from sixteen to eighteen and then to twenty. Now it is twenty-four feet.

Mr. PETTIT: In view of the fact that the government's engineers figured on a twenty-four foot canal, surely they gave an estimate of the quantity of surplus power that would result from that construction. If so, what is that estimate?

Mr. CHEVRIER: I cannot give the information now, but if my hon. friend is anxious to have it I will secure it for him.

Mr. PETTIT: I want it now.

Mr. CHEVRIER: I am sorry I cannot give it now; that is something that would come out in an inquiry before the committee. However, I can easily get the information and let my hon. friend have it if it will satisfy him.

Now we come to the year 1925. The last renewal, as I have pointed out, was in July, 1924, plans having been submitted in December of that year. In 1925 we find the company organized in accordance with the requirements of the Railway Act and ten million dollars subscribed, of which sum one million dollars was then paid up. There is where the company stands now. Will hon. gentlemen persist in the statement that the company has lain dormant all these years?

Let me say a word now about the proposed alliance between Ontario and Quebec. A good deal of capital has been made of the resolution which the Premier of Ontario has forwarded to this House, and the statement is made that the Hon. Mr.

Ferguson is about to enter into an agreement with the Hon. Mr. Taschereau. There is to be a mutual understanding in regard to the development of the Carillon power. The Hon. Mr. Ferguson and the Hon. Mr. Taschereau are to come to an understanding; they are going to fall upon each other's neck. Why, Mr. Speaker, it is to laugh! Will any hon. member in this House voice an honest belief that an alliance of that kind can be perpetrated between Tory Ontario and Grit Quebec? Can an alliance of that nature be formed between the people of Ontario, who believe so deeply, and properly so, in public ownership, and the people of Quebec who, equally properly, for that is their tenet, believe exclusively in private ownership? Is it possible, is it feasible for Ontario and Quebec to blend? Is it likely that such a happy marriage as is predicted will result? As the great Laurier said on a somewhat similar occasion—and I may safely use the simile here—"When I think of the proposed agreement and the proposed marriage in this regard, I say, What a salad!"

It is an open secret that the National Hydro of Montreal is in the hands now of Aldred and Holt. We heard nothing about it previous to 1926; we heard nothing about it so long as Robert and the others held the charter. But the moment it goes over to the Holt interests then our Tory friends oppose the renewal of this charter. Let me say to my hon. friend from Quebec province that they know that the National Hydro is now in the joint hands of the Aldred and Holt interests. It is an open secret that the same interests which are now endeavouring to prevent the renewal of this charter are the same interests that in the last general election brought forth and supported in the province of Quebec the spectre of Patenaude. Again I say, what a salad!

I appeal to the members of the maritimes to show in this matter vision and forethought. Here is a great project realizable at once as a means of bringing them near to the central and western provinces and enabling them to have relations more freely with the other sections of Canada. Here is something that will make for the development of trade between east and west. And trade is one of the elements most conducive to a better understanding between the peoples of different localities. The maritime provinces through this route will be able to ship their coal to the industries of northern Ontario, their ores to the smelters, and grain to the flour mills and elevators. The members of Quebec too, I know, are deeply interested in the maintenance of navigation on the St. Lawrence; they are interested in the construction of a deep waterway to the great lakes. In passing, let me congratulate the hon. gentleman (Mr. Laflamme) who at the moment occupies the Speaker's chair.

The ACTING SPEAKER (Mr. Laflamme): Thank you.

Mr. CHEVRIER: To continue. The members from the province of Quebec are particularly interested in a deep waterway running through the whole of Canada over Canadian territory, while to the members from Montreal the maintenance of water levels around Montreal is a matter of considerable importance. There was also a resolution passed by the Chamber of Commerce of the city of Montreal calling for the immediate construction and maintenance of this canal, and probably it would be just as well to place that resolution on Hansard.

Whereas the Montreal, Ottawa and Georgian Bay Canal Company is asking the parliament of Canada the prolongation of its charter for the construction of the Georgain bay canal; and

Whereas plans of the said company have been submitted to the government for approval or otherwise, which delays the beginning of the work;

It is resolved that the council of the Montreal Chamber of Commerce endorses the said demand of prolongation of the charter of the Montreal, Ottawa and Georgian Bay Canal Company.

The chamber of commerce having always favoured this construction, prays the government of Canada to give its kind attention towards its realization, such being to greatly help the western provinces.

Mr. GARLAND (Bow River): What was the date of the resolution?

Mr. CHEVRIER: February 23, 1927. I read from a copy, but I have now in my hand the certified copy sent me by the secretary of the chamber of commerce of Montreal. I say to my hon. friends from Montreal that there is something more than that. Some of them are interested in the construction of the St. Lawrence ship canals and I have something in that connection as well. A report of the joint board of engineers on the St. Lawrence waterways project was made on November 16, 1926. Three engineers were named to this board by the United States and the three selected to represent Canada were Mr. Duncan W. McLachlan, of the Department of Railways and Canals, Mr. Olivier O. Lefebvre, Chief Engineer, Quebec Streams Commission and Brigadier General Charles Hamilton Mitchell, of Toronto. Questions were put to this investigating board, and the answers are now embodied in this report. Among

others they were asked the following question:

To what extent may water levels in the St. Lawrence river at and below Montreal, as well as the river and lake levels generally, be affected by the execution of the project?

To that question they gave this answer:

The irresponsibe operation of the power works proposed by the board, or indeed of any power works, however designed, that develop fully the power resources of any section of the river, would affect injuriously the water levels in the St. Lawrence river at and below Montreal; but it is feasible to operate these works under government supervision in such a manner that they will neither lower the summer levels in the lower river nor raise the winter and spring levels. With such control the improvements proposed will have no injurious effect whatever on the water levels of the St. Lawrence at and below Montreal.

Then for the benefit of my friends from the province of Quebec I would like to quote a portion of a telegram sent by the secretary of the Montreal, Ottawa and Georgian Bay Canal Company to the premier of the province of Quebec:

We draw your attention to the fact that the Montreal, Ottawa and Georgian Bay Canal Company is compelled by its charter to safeguard the interests of navigation and to operate its works on the Ottawa river in the interests of navigation and in the interest of maintaining water levels in the Ottawa river, Montreal harbour and in the St. Lawrence at the best levels for navigation. Clearly, if the riparian owners are permitted to develop power only on the Ottawa river their works will fall within the dictum of the international joint board and will injuriously affect the levels of the Montreal harbour and in the lower St. Lawrence. We appeal to you in the first place to support the interests of navigation, in the second place to prevent the erection of water-power works on the Ottawa river which will injuriously affect the water levels in the Montreal harbour and the lower St. Lawrence; in the third place to use your influence to defend the great vested interests of your province established in the trade of the harbour of Montreal and the lower St. Lawrence generally and in the shipping and general commerce which is entirely dependent upon the maintenance and the protection of water levels in that area.

I would warn my good friends in Ontario of the danger of disturbing the economic equilibrium of this province by furthering so easily the monopolistic development of power in one section only in order to draw to that section commercial enterprises, to the detriment of other portions of Ontario. We all know that because of the situation in Ontario power is being given to the immediate vicinity of Toronto and Hamilton while all the other portions of the province, especially those to the north, are ignored.

[Mr. Chevrier.]

Then I would just say a word to hon. gentlemen directly opposite, who are also interested in cheap means of transportation, in the development of our resources and in the national development of Canada. More than that, I appeal to them because I know their independence; I know they are affiliated with no party in this House; I know the sincerity of their tenets and the loyalty with which they are adhered to, and I do not want anyone to accuse me of just saying this because of the expediency of the moment. I have said it before; I say it now and I will say it again no matter when or where. But I say also that not only because of what I have submitted to the House but because of the speeches made by other hon. members in favour of this measure, there should now be in their minds enough doubt and uncertainty to defeat this amendment, to allow the second reading of this bill and to send it to a committee, there to meet whatever its fate may be. I do not believe my friends opposite would think of killing this bill in the House without giving to its promoters a chance to submit their own arguments; I think in their honesty of purpose and in their loyalty to themselves they will send this bill to a committee of this House where all questions will be thoroughly ventilated. If the members of that committee find that what I have said to-day is not true—although I defy anyone to say so—if they find that there are any objectionable features in that charter which should be removed, with the consent of the promoters that might be done. But if it is there found that the charter is fundamentally wrong and that there is something absolutely reprehensible about it, they can do as they please, kill it outright or let it linger. I do say, however, that it is incumbent upon those hon. members as well as upon every other member of this House to make sure that a question of this kind should be referred to a committee.

I have just a few more words to add. After all, Mr. Speaker, I am not so much concerned about the building of this canal and the exploitation of power as I am concerned with a matter of much greater importance. It is true that the construction of this canal and the exploitation of these water-powers are of great importance to the economic welfare of this common country of ours, but that has more to do with the material side of things. When our early Canadian statesmen laid the foundations of our present national development, they did not do so in terms of

dollars and cents. They did not do it in the terms of interest to this one or to that one, and the criticisms hurled at them were far in excess of the congratulations which they received. To-day the works of Cartier, Macdonald, Mackenzie and Laurier stand out in our national life as everlasting tributes to the memories of these great men. The preaching of the development of our internal trade, of the getting closer together of the various provinces in an endeavour to cure their common ills, of the blending together in the hearts and souls and minds of the Canadian people of their common desires and ambitions made feasible their materialization into those bonds and ties of steel that to-day bind together the provinces of this country, and have their origin in the construction of such works as that of the Canadian Pacific railway.

But that is not enough, we must not stop here. Much more needs to be done; much more can be done to bring closer together in one common spirit the various forces and elements of this country. Uttering this sentiment is good, preaching it is good also, but the furnishing of the means to achieve the desired end is better, and that can only be done by the construction and the maintenance of such works as the one under review, a work which will bring the component parts of this country into closer commercial relations and thereby to a better understanding and a rapid solution of their respective needs.

Mr. J. L. BROWN (Lisgar): I could almost have wished, Sir, that the hon. gentleman who preceded me (Mr. Chevrier) had continued for another fifteen or twenty minutes, or finished fifteen or twenty minutes sooner. I am not sure that I shall be able to conclude my remarks within the half hour which remains before the House takes recess for dinner, but I shall try my best to do so.

I shall not, Sir, as has been done quite frequently by hon. members opposite, ride a different horse to-day from the steed I rode ten years ago. I do not think we can accomplish much by doing that.

Mr. MANION: Not if it is a good horse.

Mr. BROWN: It is true that we sometimes like to twit our genial friend over there with having made a change in recent times, but I will do it in an entirely good natured way. If a man makes a change—

Mr. ARTHURS: There are others.

Mr. BROWN: Yes, of course. If a man makes a change honestly he is not to be reproved. Therefore, after all, Mr. Speaker, the difference between the patriot and the traitor, between the convert and the pervert, depends simply upon the point of view. I have never objected to a man changing his horse once in ten years. I do not like to see him change too quickly, or try to ride two horses in opposite directions at the same time, which of course is an entirely different matter.

I wish to say, as some other gentlemen have said, that I have no personal interest in this matter. I have not been canvassed by anybody, and I have not been lobbied by anybody, either for this bill or against it. I have come to my conclusion in regard to the bill, and the manner in which it should be disposed of, entirely from my general knowledge of the subject, as well as from the provisions of the bill itself and the arguments which have been advanced in the House. It ought to be a matter of gratification to those who believe in public ownership to hear the expressions of opinion that have come from across the House, even if we cannot believe there is as complete unanimity as the speeches which have been made on that side would seem to indicate.

An hon. member from Toronto made the remark that the line of cleavage between those in favour of public ownership and those in favour of private ownership ran down the centre of the House. I think in that respect he is entirely wrong. It seems to me that if you tried to draw a line between those in favour of public and those in favour of private ownership, it would cross the House a great number of times in order to include or exclude the hon. members in one or the other of these two classes. I cannot understand how it could possibly include those who would defend the order in council of August 26th last, neither do I think it could include those who were elected in response to the "whisper of death" campaign that was carried on in Montreal some years ago. While we have heard many declarations in favour of public ownership from the other side it seems to me that I could detect at times a somewhat different note, a note that was not just as completely devoted to the idea of public ownership. For instance we could detect the note of the assertion of provincial rights. That, it seems to me, was a thought far more prominent in the minds of some of the speakers than the idea of public ownership.

I wish to call attention to the speech that was made by the hon. member for Toronto Northeast (Mr. Young). I need not read the

passages from his speech where he emphasized his attachment to the idea of public ownership. Having done that—of course, with all the fervour that might characterize the hon. member for Rosetown (Mr. Evans), or the hon. member for North Winnipeg (Mr. Heaps) or the hon. member for Winnipeg North Centre (Mr. Woodsworth)—later on in his speech he said, speaking of the matter dealt with by the order in council of August 26th:

I repeat again, that the National hydro contract to which my hon. friend from Marquette (Mr. Glen) referred, was a contract approved by both the provinces of Ontario and Quebec.

That is, he is intensely devoted to the principle of public ownership, but when the government of Ontario sets its seal of approval upon a contract that violates all those principles, then his adhesion to the principle of public ownership goes by the board.

There is another need that seems to have been emphasized by some hon. gentlemen opposite, and that is the question of the St. Lawrence waterway. I have no doubt that the matter of the deepening of the St. Lawrence had some place in the thoughts of my hon. friend from Fort William—

Mr. MANION: Hear, hear.

Mr. BROWN: —for we know he is very greatly attached to that project. I am not going to find any fault with him for that, but in speaking of this matter the leader of the opposition used an argument that seemed to me to be absolutely fallacious. He contended it would not be wise for us to construct a waterway that might enter into competition with those other great lines of transportation that we have in mind—the St. Lawrence waterway, and I suppose he referred to our National Railways. I cannot see force in the argument that we should not allow a private right to compete with public enterprises, and the argument loses its force entirely when you remember that if the St. Lawrence waterway is ever constructed, the canals thereon will be thrown open to the public free, and we will not collect any revenue from them. Why then is it unwise for us to grant a charter in respect to a waterway coming into competition with another waterway from which the Dominion of Canada receives no revenue at all? If the argument is good against the Georgian bay canal scheme that it should not be allowed to enter into competition with our railways, the same argument is just as good against the St. Lawrence waterway. As a matter of fact that argument has been used against the construction of the St. Lawrence waterway—that it will enter into competition with our railways. I put these arguments aside altogether, however, because I do not think they have any weight.

I can understand the attitude of hon. members from Ontario in regard to this matter because of the question of provincial rights. Naturally they have their attention fixed upon their constituencies; naturally they know what the people in their constituencies want, and if it became a conflict between the Dominion and provincial interests the weight of their support would go in favour of maintaining provincial interests. That is an understandable position from the standpoint of hon. members from Ontario; but we in this House ought to emphasize the interests of the Dominion. If there is a conflict between the interests of the Dominion of Canada and those of Ontario or Quebec, we should attach some importance to the interests of the Dominion of Canada.

What then is the situation? This is a measure which proposes to deal with a great internal waterway, a waterway that for three centuries has been a highway of commerce and traffic between Montreal and the Rocky mountains. That is a highway which the Dominion of Canada is interested in preserving for the use of the Dominion, and that is something to which we as representatives of constituencies in this Dominion parliament ought to give attention. We cannot for a moment concede that the people of Ontario and Quebec are the only ones who are interested in this matter. We who represent other parts of the Dominion have also an interest in seeing that, whatever may be done in the development of this waterway, the interests of the Dominion as a whole are protected.

We have heard a great deal during the course of the debate about legal decisions that have been rendered in favour of the claims of the provinces. I do not know enough about law or court decisions to know just what those decisions are or how far they go in determining the various matters at issue, but there is in the British North America Act a section that would bear study. Section 92 deals with the exclusive powers of provincial legislatures, and in subsection 10 we find that these matters are within the exclusive jurisdiction of the province:

Local works and understakings other than such as are of the following classes:—

a. Lines of steam or other ships, railways, canals, telegraphs, and other works and undertakings connecting the province with any other or others of the provinces, or extending beyond the limits of the province:

b. Lines of steamships between the province and any British or foreign country:

Such works as, although wholly situate within the province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces.

Therefore this parliament has the power to declare this work to be for the general advantage of Canada. Whether that should be done or not, I am not at the present time arguing; but I just want to point out that as there undoubtedly is a conflict between provincial and Dominion interests in this matter, this parliament has the power to declare that this particular work is not a matter in which the provinces alone are concerned, but that it is or may be a work for the general advantage of the people of Canada. The provinces and the Dominion alike derive their powers from this British North America Act. I am not a lawyer, but I think it is clear that this section is worthy of consideration in this connection. The leader of the opposition, speaking of the powers that lay within the jurisdiction of the province, made certain statements, but I notice that in section 91, which deals with the powers of parliament, subsection 12 includes "sea coast and inland fisheries." Therefore, when he declared that the fish in the stream belong to the provinces, that does not seem to me so absolutely beyond dispute unless some astute legal gentleman can show a distinction between fish and fisheries. Perhaps someone may be able to do that. We never know just how far astute legal arguments may carry. It would not at least seem to be so clear as hon. gentlemen have been endeavouring to assert, that the rights of the provinces are supreme in such matters as these.

Let us deal with the bill itself and I will try to state in terms that will not be misunderstood my attitude towards this question. The hon. member for Winnipeg North Centre (Mr. Woodsworth) produced the farmers' platform of Manitoba. I might as well confess that I had something to do with the preparation of that platform. I had the honour at the time of being president of the United Farmers of Manitoba and when we drew up that platform I was present. Indeed I am not sure that the particular clause referred to was not my own wording, and I have no intention of departing from the position which I took then. I am opposed to the principle of this bill and I do not think it is possible to amend it in a way that would satisfy me. I think that is plain and definite enough for anybody.

What about the amendment? Technically, I admit that the amendment is correct. Undoubtedly the leader of the opposition when he appealed to May, supported as he was by Bourinot, was correct in saying what he did in support of his amendment. I need not refer to his argument because it is well known. But while he is technically correct, it seems to me that the carrying of that amendment would not altogether meet the needs of the situation, because in my judgment it would leave unsettled a very important matter, a matter with which I think this House ought to deal promptly. The carrying of that amendment, it is true, would, so far as this House is concerned, put the whole question for the time being to one side. If we were to think of that amendment only in its own terms and no further, I for my part would have no objection to voting for it, but I think we are under an obligation to look further. Since I have been in this House I have learned that it is sometimes just as well, if you can get somewhere near where you want to go, to forget technicalities. Therefore, at the risk of being charged with inconsistency, I propose to take the other course. I have no hope that this particular bill can be amended in any way that will suit my views. My hope, in sending this matter to the committee, would be that from that committee might come some constructive proposition that would help us to deal properly with a great national problem. Now, somebody may say that this is not the right way to do it. It may not be the best way, it may not be the only way, but it seems to me that it is at least a good way.

We have heard a great many statements from both sides of the House in regard to the various interests that are concerning themselves with this or a kindred project for the development of power at the Carillon falls. What the exact situation is we have not the privilege of knowing. I think it well that we should know just as soon as possible what the exact situation is, and it seems to me that that could be brought out if this matter were placed before a committee of this House. I have no objection whatever to the terms of the amendment, but its acceptance would prevent our giving immediate consideration to the question. The great problem before Canada to-day is how we are to develop these great natural resources so that the people will receive the maximum good therefrom. It is with the hope that we may be able to do something immediately to solve the problem that I would cast aside technicalities and allow this matter to be referred to the committee, where we can get further information and probably suggestions that would be helpful to us. For example, it might very well be

suggested that at once parliament should declare this whole work to be a work for the general advantage of Canada. I am not saying that that would be done, but it is a possibility. It might be that the committee would suggest an immediate conference between the Dominion and the provinces. It might be that half a dozen suggestions would be made to bring us at once to grips with the situation. I have confidence enough in the members of this House, and certainly in the group with which I am immediately associated, to know that they stand absolutely firm on the question of the public control and development and operation of this great natural work for the general good of the people. There need be no question in the mind of any person on that point.

Speaking for myself, I take the position that we should send this bill to the committee, only in the hope that from the committee will come some suggestion to enable us to settle the question in the interests of the Dominion, whose rights in this great waterway are paramount. We cannot allow the interests of navigation to be sacrificed. I do not think for a moment that in the immediate future such a canal will be built either by private parties or by the Dominion; but who can foresee the future, who can tell us what the condition will be fifty years hence? We do not know. Whatever step we do take we must see to it that the rights of the Dominion in this great inland waterway are not permanently sacrificed. The rights of the Dominion must be protected. At the same time we must, of course, give consideration to the rights of the provinces. It is quite possible, as I have said, that this can be best done by a conference between the Dominion authorities and the representatives of the provinces. I am satisfied, Mr. Speaker, that this could be so done as to secure the end that we have in view—that these great natural resources shall be preserved and developed in such a way as to secure the maximum benefit for the great mass of the common people of Canada.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. JAMES ARTHURS (Parry Sound): You may remember, Mr. Speaker, that I was a member of the committee which was formed a year or so ago for the purpose of amending the rules of this House and making speeches as short as possible. Perhaps I should apologize for taking part in the debate now, because I spoke for a few moments on the original motion. I shall not, however, occupy the time of the House longer than the time originally proposed for speeches in the amended rules—half an hour, or at the most, forty minutes, as the recommendation now stands.

My hon. friend from Lisgar (Mr. Brown) spent about half an hour trying to defend an absolutely impossible position. I might take his argument in the reverse order in which he presented it. His last proposition was that nothing should be done in this matter until a conference had been held between the two provinces. So far as that is concerned, there is no difference of opinion between the idea of the province of Ontario and that of the province of Quebec. Secondly, he says we should forget all technicalities, no matter what they were, as long as they got us where we wanted to go. I have no doubt that the hon. gentleman forgot all the technicalities that he ever knew, so long as they got him half way to the place to which he wanted to go. In other words, for many years he was strongly in favour of the Georgian bay canal, and now he is making an attempt in this House to hedge in every possible way.

Mr. BROWN: Does the hon. member say that I was for many years in favour of the Georgian bay proposition?

Mr. ARTHURS: Yes, I said that.

Mr. BROWN: I do not know how my hon. friend got that impression.

Mr. ARTHURS: Every member from my hon. friend's constituency, and every member of the delegation which came from the constituency, and made representations to the government on the subject, took the same attitude, and I am sure my hon. friend did not oppose the decision to send the delegation down here.

He said that this proposition should go before the committee in order that parliament should pronounce upon the question whether or not the work was for the general advantage of Canada. The hon. member is exactly thirty-three years behind the times. In every act passed by the railway committee of this parliament the first clause provides that "this act is for the general advantage of Canada," and this clause has appeared in this bill since 1894, so that my hon. friend is wrong there.

I want to take up for a few moments the argument, or the want of argument, of my hon. friend from Ottawa (Mr. Chevrier). He

made a very fine peroration. He started off by throwing this matter into a political arena, without any question of doubt, making a dividing line from Mr. Speaker to the other end of the chamber.

Mr. BROWN: That line was drawn by the hon. member for South Toronto (Mr. Geary).

Mr. ARTHURS: I am not talking about the hon. member for South Toronto, but the hon. member for Ottawa, and to-day he made exactly the statement I am making now. He drew a political line, and my hon. friend (Mr. Brown) tried to get away from that line, to hedge around it, or crawl under it, or something of that kind. In fact he did not know what position he took, but the position of the hon. member for Ottawa was plain and distinct. In the early part of his remarks he made it a political question. Later on he spoke about sanguinary purposes and so on, and tried to connect the name of my hon. friend from Calgary (Mr. Bennett) with certain organizations in favour of one or other of the parties who are lined against us in favour of this scheme. He was not very successful, and after that he appealed to everybody generally. He appealed to the members of parliament, the members from Quebec, the members from Montreal, and after he had made that distinct appeal to those members whom he knew were unfavourable to this canal project, or any other canal project for that matter, he appealed to the members from the west, and the only rise he got was from the hon. member for Lisgar (Mr. Brown)—the only member who would support him at this time.

When I spoke on this question previously I said without any equivocation that I believed this matter should go to the committee, the reason being that I believed in the canal. But I do not believe in the company. I have perfect faith in the canal scheme. I have no knowledge for or against the company which is behind the proposition at the present time. I have no reason to know, nor have I any reason to believe, that any set of parties, whether they be Siftons or Holts, are behind the proposition, and I do not care whether they are or not. All we ask is certain safeguards, and we can go along regardless of who may be behind the company. We believe that if any power is developed in the process of constructing the canal along the Ottawa river or the French river, or any portion of either or both of them, that power shall be under the control, as to its distribution and price, of the Hydro Electric Commission, or of such other body as is appointed by the province of Ontario, so far as Ontario rights are concerned. We believe equally that any power generated which belongs to the province of Quebec should be under the control of some body appointed by that province as to exportation or as to price.

The people of northern Ontario are absolutely in favour of this canal. They do not care anything about the power proposition, nor are they concerned with the company. As a matter of fact this canal project has been before the country for many years. The bill now under consideration is to all intents and purposes, according to parliamentary rules, one of a private nature, although I would point out to the ministry and particularly to the Prime Minister (Mr. Mackenzie King) that it is not a private bill in the ordinary sense of the word. The charter has been opposed by Quebec and Ontario, the only two provinces in the Dominion that are interested in the matter; and the bill is being opposed likewise. This is consequently a government question on which the government should say either yes or no. They should be prepared to state whether they are ready to dispose of any of the rights that they may have in any or all of the streams, international or interprovincial, running through this country, or whether they are going to allow any or all companies to have charter rights along those streams. And the number of international and interprovincial streams in Canada are very few, and this is one of them. I have no doubt that the average man in Ontario and Quebec is awaiting a pronouncement from the government to the effect I suggest, but the only information we have had from the ministerial side comes from the Minister of Railways (Mr. Dunning), who declares in favour of submitting the bill to the committee—for what purpose? To pass it? I think not. I think the government is trying in a quiet and easy way to kill the bill or, in other words, to have an opportunity of disposing of this power without the interference of this particular company.

For many years practically all of the provinces were in favour of this canal. Speaking for Alberta, Saskatchewan, Manitoba, Ontario, Quebec and the eastern provinces generally, I think it was the consensus that this canal should be built: first, on the ground that it is all Canadian; secondly, that it would be over 300 miles shorter than the projected St. Lawrence route; thirdly, that it was cheaper to build; and in the fourth place—this is a secondary consideration—that it would not be affected by the levels of the great lakes. Originally the canal was projected on the basis of a nine-foot depth, to

be built by the Georgian Bay Canal Company, and the next proposition was put forward, not by the canal company but by the Canadian Pacific Railway, who made complete survey of the French river section of the canal. I believe that had it not been for their financial condition at that time they would have built the canal on the basis of a sixteen-foot depth from the mouth of the French river to North Bay. We must bear in mind that when this proposition was put forward there was no such place as Cobalt. When the Canadian Pacific Railway were about to undertake the building of this section of the canal there was in northern Ontario no mining country of any description: Cobalt was entirely unknown and the Temiskaming and Northern Ontario Railway had not even been projected. Indeed, even after the originally proposed depth had been increased to twenty or twenty-two feet our great paper mills of northern Ontario, which to-day are producing the greater proportion of our paper exports, had not been contemplated.

The government of Canada, under the administration of the present Prime Minister's predecessor, Sir Wilfrid Laurier, had a survey made of the whole canal proposition from one end to the other, although the report was submitted after that government had gone out of power. During their regime, however, a commission was appointed to look into the matter, and that commission afterwards reported. The commission cost Canada approximately one and a quarter million dollars and their report was that the canal scheme was absolutely feasible in every way. Nay, more, they said that there was not the slightest doubt that there would be plenty of water not only for the present but for the future. The building of the canal was delayed in many ways. In the first place there was the uncertainty as to capital; and, secondly, notwithstanding the favourable report of the commission, nothing could be done on account of the war, which came on soon afterwards. Next, a proviso was embodied in the charter whereby the government reserved the right to control this enterprise at all stages, so that no construction could be started until they agreed to the plans of the company. So far as I am aware these plans have never been agreed to by this or any other government. Another difficulty was this. After the government had taken away the power rights and had declared that all power generated should be at the disposal of the railway commission, and that no tolls should be charged on the canal, the company naturally asked for a guarantee of their bonds at three per cent; and this being refused, no construction has taken place.

[Mr. Arthurs.]

Many of us on this side of the House were more or less opposed to the building of the present or the prospective Welland canal. The Welland canal now in course of construction was proposed by a government of which I was a humble follower, and the engineers' estimate was $50,000,000. We have already spent approximately $110,000,000 on that canal and the only result is that we are benefiting or will benefit ports on the American side. We have on the Canadian side no harbours which can receive boats of the capacity of the new Welland canal. The harbour of Toronto accommodates vessels of about sixteen feet, Cobourg, of about eleven feet, and so on along the lakes. The fact is that all deep water channels are along the other side of lake Ontario. Now, I believe the St. Lawrence canal scheme is a good thing, and I have nothing against it. But why should we not build from the ocean up? Why spend $110,000,000 on the Welland canal when it is estimated that $108,000,000 would build canals up to lake Ontario? Our eastern friends can bring up their coal gradually as the canals are built into the province of Ontario, but if you start at the Welland canal and work down the inevitable result will be that their American competitors will follow the canals mile by mile, and instead of getting coal or other products from Nova Scotia we in Ontario will find that American trade is using that canal.

I would also like to call the attention of the government to a very important point in connection with this proposition. It is all very well to sit back and say, we are going to build the Welland canal, or the St. Lawrence system or some other canal, at a cost of $500,000,000 or $800,000,000 or $1,400,000,000; the same proposition will come up in each case. Where are you going to get the water and how are you going to get the harbours? Our friends from Montreal know very well that there is very serious danger to the ship channel between Montreal and the ocean; they know that even there the level is being lowered. I hold in my hand a return of this House under date of February 28, in answer to a question as to what action the government had taken to ascertain the levels of the various lakes, and also to inquire what action had been taken in regard to a protest or claim at Washington. In answer to that we are told that the lowering of the level in lake Huron due to the Chicago drainage canal has been 0.5 feet, and that the lowering of the level due to the removal of gravel from lake St. Clair was 0.6 feet, or in all a lowering of 1.1 feet. I was not satisfied with that answer and asked a question later in this

House, the answer to which I now hold in my hand. The question reads:

1. Having regard to sessional paper No. 118, question No. 1, has any department of the government kept any record of the levels of the great lakes or any part thereof, for all or part of the last ten years?
2. If so, what does such report show as above or below zero?
3. What is zero for each of the great lakes?

The important part of the answer is that given to question No. 2. According to this answer the actual lowering of levels as shown by the Department of Marine and Fisheries —not by the International Joint Commission, which showed a loss of 1.1 feet in lake Huron, one-half of which was attributable to the Chicago drainage canal—as measured daily and hourly throughout the year, is given as 3.19 feet, or 2.09 feet more than was given in a return to a question which was passed as an order for return four or five days previously. The thing is absolutely absurd. Those of us who live on the shores of the great lakes know very well that the levels of those lakes are lowering very fast, and that something must be done in this regard.

As I said before, Mr. Speaker, I am in favour of a canal but not a power scheme. I am quite willing to allow this bill to go to any committee of this House or to be thrown out by the House provided that the government will guarantee one or two very simple things. I have not the slightest doubt that each member of the government will say that in any power project along the St. Lawrence river the Dominion government will see that proper safeguards are included, and that no dam or other work be placed on that river unless and until such safeguards to the navigation of that stream have been provided. We believe that any dam or other work placed on the Ottawa or French rivers should also provide these safeguards in every case. In many cases according to the plans of the government no additional cost will be entailed but in even the most extreme instance the additional cost cannot exceed more than 2 per cent to 5 per cent at the most, because each one of these lockheads so placed would act as a sluiceway in case of emergency, and that is one of the principal things we desire. If the government will say they are prepared to guarantee that in all these waters under their jurisdiction provision will be made to safeguard navigation according to the plans of their own engineers, I am quite prepared to back up the government in this proposition. That was the most important point I desired to bring out. I have already pointed out that at the time the original charter for this canal was granted the resources of our north country were practically unknown; we had no mines in northern Ontario, no pulp and paper mills, and nothing of that kind was thought of. This was then simply a canal scheme for the purpose of exporting grain from western Canada.

I do not know that I need go any further, Mr. Speaker. Just in conclusion I might say that I am opposed to any private interest in this matter, and would far rather see this canal constructed under public ownership. As I have already said, all we are asking is that the government shall safeguard not only the interests of Ontario and Quebec so far as power is concerned but the interests of the people from Montreal to Mattawa and from the Georgian bay to lake Nipissing so far as navigation is concerned, and this will be found to be a small matter in comparison to the complete project.

Mr. E. J. GARLAND (Bow River): Mr. Speaker, I have no apology to offer for addressing the House to-night on this subject, because I do not think a question of greater importance has come before parliament during the five sessions I have had the honour of occupying a seat in this House. In my opinion the Petersen contract of such odoriferous fame was a mere bagatelle, so far as the evil nature of the contract was concerned, as compared to the charter now before us. At the outset of my remarks I would like to brand this charter as the most glaring example of commercial and political brigandage attempted in this House during my time, and for a parallel we will have to go back to the old days of railway exploitation, on which the hon. member for West Calgary (Mr. Bennett) is so well informed.

For a few moments now I wish to deal with the speech of the promoter of the bill, made this afternoon by the hon. senior member for Ottawa (Mr. Chevrier). At the outset he described the amendment of the hon. leader of the opposition as a smoke screen, and declared that the smoke screen was getting thinner and thinner as the debate proceeded. Well, that may be, but if a smoke screen was created, the only wind that is dissipating that smoke screen is the aroused public opinion against the bill; it has not been the speech of the hon. member for Ottawa (Mr. Chevrier). I had awaited his speech with intense interest in the hope that he would give us some arguments on behalf of the bill. He failed in his entire speech to produce a single argument as to why the bill should be supported. All he

told us was: let it go to the committee and there I will give you all the information. Well, we want the information now before we let the bill go to committee. We are trying to get what light we can, and I have, in my humble way, Sir, done all I could to secure the fullest knowledge of the question.

It is not so very many weeks since one of the kindly directors, a director I think he is, of this company asked me to give him an interview. I did so. I am always glad to have any gentleman inside or outside the House come and see me. In the course of the interview this gentleman aroused my interest on this question; and on that point itself, Mr. Speaker, let me ask you to refer for a moment to some of the editorials written on the question of lobbying. Lobbying is declared by the Ottawa Journal to be a very fearful thing today, especially that of the professional lobbyist. Well, the professional lobbyist may have some influence upon some hon. gentlemen, but I wish to assure you that the only influence this lobbyist had upon me was to make me go further for some information of more value.

My hon. friend from Ottawa (Mr. Chevrier) was kind enough subsequently to allow me to read the brief which he possesses on behalf of this company. I think indeed he called it his own brief, and he allowed me to take it away with me and also to use it now. For that courtesy I thank him. I intend to use the brief, and I hope to use it to better advantage than the hon. gentleman, with all his eloquence, did this afternoon.

The hon. gentleman talked of a smoke screen, and yet the very first attempt on his part to influence the House was to draw another smoke screen into the debate by making a general allegation against the Ontario Hydro Electric Commission in support of which he did not produce a single tittle of evidence. He questioned the management of public ownership, but he did not tell us why. I gave him an opportunity. I asked him in what respects it failed. He waved the question to one side as a matter of absolutely no importance, and declined to clear up the very smoke screen that he himself had spread in this chamber. Well, I do not wish to go into that matter at any length, but in order not to leave the impression that he tried to leave upon the House—I do not think the impression was left, but he tried to leave it—let me again quote from a statement that has already been quoted in this debate; it is worth requoting:

The other day—

[Mr. E. J. Garland.]

Said the hon. member for one of the Winnipeg constituencies:

—I noticed the Electrical World, one of the most reliable of American magazines in this field, estimated in its issue of January 2, 1926, that the grand total of electrical consumption in the United States during 1925 was 47,997,000,000 kilowatt hours for which was paid $1,389,000,000, or an average of 2.9 cents per kilowatt hour.

Commenting on this an American writer points to Ontario—

Under the Hydro Electric Commission, which the hon. gentleman waves to one side as guilty of violating the principles of public ownership and of questionable management.

—as the bright spot on this continent in respect to cheap light, heat and power, and states: The grand total of Ontario sales was 1,157,000,000 kilowatt hours for which the people paid $19,137,000, or an average of 1.65 cents per kilowatt hour.

As compared with 2.9 cents in the United States. He says:

"If," we Americans had paid Ontario rates, we would have saved ourselves in 1925, $600,000,000.

Surely that speaks well for the management of hydro electric; that speaks well for public ownership in the province of Ontario.

Mr. CHEVRIER: I do not wish unnecessarily to interrupt my hon. friend, but will he say that under a different management of the Ontario Hydro the cost would not be quite as much as it is now?

Mr. GARLAND (Bow River): It would be very difficult for me to enter the field of prophecy in a matter so extremely technical as this, but let me say that when the principle of public ownership, applied in a practical way in the province of Ontario, has secured such very satisfactory results over private ownership in the United States for which he is an advocate, it speaks very well for public ownership.

Mr. CHEVRIER: My hon. friend will admit it is not conclusive.

Mr. GARLAND (Bow River): It is more conclusive than any of the arguments my hon. friend used this afternoon.

The hon. gentleman then continued his exudation of the smoke screen, like one of those little aeroplanes that sometimes hover over the centre of New York city advertising cigarettes, and he reasoned very plausibly, but hardly logically, that the reason for the Conservative opposition—far be it from me to defend hon. gentlemen to my right, who do not need any defense in this case—the reason for

their opposition was, if you please, because Mr. R. B. Bennett was a director of this new company? that is of the International Paper Company—that Mr. Southam was a competitor, or presumed competitor, of the Sifton interests—and that Mr. Smeaton White was another. It was very fortunate indeed that there was an hon. gentleman in the chamber at the time who was wise enough to take up the hon. gentleman's statement and to ask him to read the other names on the board of directors. Without going any further into that I think I may say that the answer the hon. member for West Calgary (Mr. Bennett) gave the hon. gentleman from Ottawa entirely destroyed that argument; indeed, it did not leave a fragment of it existing.

Then the hon. gentleman went on to say—and this, by the way, is an exceedingly interesting point—that the reason why the Ottawa Citizen is opposed to the Georgian bay canal is because Mr. Southam is a director of the Canadian International Paper Company. Well, it was an amazing statement, for which the hon. gentleman did not bring any proof; he simply made the assertion It may be quite true, I am not going to defend Mr. Southam. The hon. gentleman then said that he could not state why the Ottawa Journal was opposed to the canal, and leaves us to assume as the reason the fact that it is a Conservative organ, but let me submit that the hon. gentleman overlooked many important papers. He overlooked for example the Toronto Globe. He will not say what personal interest the Toronto Globe has in opposing this charter or supporting the Holt interests of Montreal. He overlooked the Hamilton Herald, he overlooked the Port Hope Times, he overlooked the Gananoque Reporter, he overlooked the Brantford Expositor the Kingston Whig-Standard, the Hamilton Spectator, the St. Catharines Standard, and a dozen other papers, every one of which is unanimously, bitterly and unalterably opposed to the renewal of this vicious charter.

He then went on to discuss what is known as the lease to the National Hydro in Quebec, and he properly referred to the fact that the Conservative government in 1926, when in office for a few months, did renew an old lease endowing it with enormously increased powers. But he did not give us the history of that transaction; he did not tell us any more about it. Well, I will just summarize briefly what took place in regard to the Carillon power development in connection with the National Hydro. The first lease for the development of Carillon power was granted many years ago, not by my hon. friends to my right but by the gentleman who is now the Hon. Senator George P. Graham. Senator Graham was then and is now a Liberal. The lease itself received several extensions, and just prior to the 1921 election the administration under Mr. Meighen granted a lease for a much greater amount of power development. This lease was also extended from time to time until two years ago, when an attempt was made to secure a lease for the development of all the available horse power at that point. This lease was never agreed to, was never signed. Why? Because there had arisen the question of provincial rights with respect to water. There is no question whatever that under the British North America Act once the Ottawa river had been declared a navigable stream the federal government assumed rights over navigation and to the water needed for navigation. But in addition to that there is the justifiable and asserted claim of the provinces for their share of the power possible of development from their share of the stream. Therefore, before this lease could be signed or agreed to, both the provinces had objected with the result that the lease was never signed and never agreed to. In 1926, however, as the hon. member for Ottawa (Mr. Chevrier) has stated, the hon. member for West York (Sir Henry Drayton), who was at that time I think Acting Minister of Railways, renewed the lease giving enormously extended powers. May I say I think that was a usurpation of power out of keeping altogether with the present attitude of the Conservative party?

Mr. ARTHURS: If, as the hon. member says, the right of the provinces is absolute without a question of doubt, what possible right would the Dominion have to grant any of these powers to any company?

Mr. GARLAND (Bow River): It so happent that there is a little navigation canal built at Carillon I believe by the Department of Public Works which gave the Dominion authority over a certain quantity of power there. There was a canal built and authority was given many years ago to a company of which the National Hydro of Montreal is the successor, to develop a certain small horse power from the flow of water. Subsequently they came for more powers, but the question of provincial rights had risen especially in connection with the development of public ownership in Ontario.

I need not deal much further with the hon. gentleman's speech. He went on to assail hon. members to my right because certain of their number had in past days signed certain memorials advocating the construction of this

canal. Frankly speaking, I cannot see what that has to do with the problem before us. They may have done so, it is true, for political expediency or any other reason, but this has nothing to do with the question and instead the hon. gentleman should have been raising arguments on behalf of this project.

The hon. member in a sort of premature—I hardly know what to call it—eulogy described the altruism of the Sifton interests and in glowing terms, continuing of course his smoke-screen tactics, went on to talk of Canada for the Canadians. If the hon. gentleman had said to this House that this bill rather meant Canada for the Siftons, he would have been a great deal closer to the truth. For the life of me I fail to see what interest Canadians will have in the bill after the Sifton interests get hold of it.

Let us examine this question for a few moments. A deep waterway canal is the alleged objective of the bill and the hon. member goes on to say that there has never been any serious obstacle to the proposal as a constructive project. This afternoon in the course of his speech he raised the point saying that there was no question as to the feasibility of the canal. Then, without describing in detail the feasibility of the project, he went on with his speech. As a matter of fact the hon. gentleman's assertion was not correct. There has always been the gravest doubt as to the feasibility of this canal and in a moment I will give the House a few opinions in that regard. Let me, however, suggest to him and to his administration that it would have been much wiser, before sponsoring this bill, if he and his friends had taken the trouble to study certain of the memoranda submitted in days past by the engineers of the Department of Public Works to the administration. Amongst them we find one dated in the year 1925 dealing with the plans to which my hon. friend referred this afternoon and which were then submitted to the administration. This is a memorandum to the deputy minister and signed by K. M. Cameron, chief engineer of the Department of Public Works. The memorandum, which is dated January 2, 1925, reads:

> With respect to the application of the Montreal, Ottawa and Georgian Bay Canal Company for approval of plan submitted with their letter of December 18, 1924, to the Governor General in Council, the plan covering that section of the Ottawa river between Hawkesbury, Ontario, and Pointe Fortune, Quebec, it is noted that the plan is an adaptation of the suggested route and layout of works as embodied in the 1908 report by the Public Works department on the proposed Georgian bay ship canal.

It was merely an adaptation of an old plan made by the engineers in 1908.

> That project was based on the then existing depth for navigation in the great lakes and proposed depth of 22 feet on the sills of the locks, the locks to be 650 feet in length and 65 feet in width.

I wish at this point to make the assertion, which is of course supported in these memoranda, that this company of which my hon. friend is the advocate in this House has never yet submitted to the department a single plan of a concrete or concise nature. The government has never dared to give sanction to or approval of a single plan submitted, and to this very moment the government itself knows that the Sifton interests behind this bill have not a single intention, as shown by any plans of building a canal. The report of the engineer would confirm that. It reads:

> The government has before it in report No. 2 of the inter-departmental committee on the St. Lawrence waterway the findings and recommendations of that committee on the most advantageous dimensions for the St. Lawrence waterway. As the canalization of the Ottawa would be a side, and possibly alternative route for the St. Lawrence waterway—

The very argument used by my hon. friend.

> —the dimensions of the locks and channels should be made to conform with those recommended for the St. Lawrence waterways. The plan is very general in the information it gives as to the proposals of the company. Before, however, any work is allowed to be done by the company it is recommended that the company agree, in writing, to furnish additional plans and information in accordance with the following recommendations.

The engineer then goes on to give a number of recommendations, many of which should be placed on the records of the House, but it may save time if I submit this long report for publication in Hansard. It should be in the hands of hon. members but I hesitate to delay the House in reading it. The recommendations are as follows:

> 1. Locks on the canal to be 30 feet deep over the sills, 80 feet wide at the chamber and have a clear length of 800 feet in the chamber; the depth of water in the canal reaches to be 27½ feet below low water for the reach.
>
> 2. To submit for approval further plans showing the details of the dam or dams proposed, of the nature of the foundations of the dams as disclosed by borings, of the regulating works and of the power installation.
>
> 3. The dam or dams to be designed, constructed and provided with a highway 20 feet clear width with a 4-foot sidewalk, with suitable approaches from one shore to the other, the highway to be capable of carrying 15-ton motor truck loads. Tolls for the use of the bridge to be as approved by the railway commission of Canada.
>
> 4. To submit plans in detail for approval showing: (a) Areas of lands to be flooded and

areas where flowage rights are to be acquired, with book of reference, and assessed damages;

(b) Areas of lands to be acquired for right of way and works of the canal, with book of reference, including all federal government lands, works, or properties to be taken over, and valuation;

(c) Plan, profile, sections and elevations of proposed canal, locks, channels, and works, showing soundings, borings, nature of materials of construction, details of construction and specifications covering works to be performed;

(d) Location, plan and proposed type, size, loading and clearances of all bridges;

(e) Location, plan and profile, size and capacity of all culverts and sewers with plans of areas to be drained;

(f) Location, plan and profile, size, capacity, method of construction of all water supply systems for domestic and other purposes;

(g) All plans and specifications submitted for approval to bear the signature of an engineer or engineers of recognized standing, to be dated and to have a distinguishing number;

(h) Working plans or plans of work as actually built, and specifications, to be provided as soon as any part or parts of work are completed.

5. To submit for approval before any work is undertaken a schedule or order of performance of the various works embraced in the general scheme.

6. That officials of the Public Works department shall have access to and free control of the operation of the compensating or of the regulating sluices wherever situated, and shall have the right to measure the discharge of the various channels and passages and to adjust the flow in the public interest, any expense becoming a lien against the property of the company.

7. The company to furnish, without cost, to the Public Works department copies of its records of the flow of the Ottawa river in such terms, at such times and based on ratings satisfactory to the chief engineer, Public Works department, as that officer may require.

8. The company shall save the government harmless should the construction of works in the St. Lawrence or Ottawa river above or below the proposed works, affect the level of the river above or below the works, and shall save the government harmless should the construction of the works affect rights heretofore existing above, below or comprised within the area of the proposed works.

9. The works shall not be designed, constructed, or subsequently operated to prevent the passage at any and at all times of the regular flow of the Ottawa river, to the detriment of Montreal harbour and the St. Lawrence river.

10. The company to be responsible for and to compensate for any damage which may be caused by its works to other companies or interest owning or operating water-power on the Ottawa river and its tributaries above Carillon and Pointe Fortune.

11. A satisfactory fishway approved by the Department of Marine and Fisheries to be provided in the dam or dams.

12. Statistics of shipping and of production and disposal of power to be furnished in the manner and when required by the Dominion Bureau of Statistics.

(Signed) K. M. CAMERON,
Chief Engineer.

Not a single recommendation of the engineers has been carried out, and to-day with the bill before us asking for our sanction, the company has not submitted a single plan which the government can conscientiously recommend to the governor in council for his approval. Report after report, memorandum after memorandum, statement after statement by the engineers of the department responsible for ascertaining the facts about matters of this kind simply confirm this. For example, on the 13th July, 1925, the following statement occurred:

> For reasons such as they may be, the department cannot recommend to the minister the asking of council to approve—this information to the company simply to inform them as to the cause of delay in an early advice.

And so on through report after report. It is true that they submitted some varying plans in the meantime, a little addition here, a little addition there of no material effect. Then in general effect a further memorandum dated January 20, 1925, goes on:

> The charter authorized the building of a nine foot canal from Ottawa to Georgian bay and gave the company the right to produce and dispose of all hydro-electric power in connection therewith.

From 1910 onwards no mention is made of the depth of water in the canal or canals until the 1912 plan of which the hon. gentleman spoke this afternoon. The memorandum goes on:

> This plan is a very general one, practically a duplicate of the Department of Public Works Georgian Bay ship canal scheme of 1908, at a scale of 2,000 feet to the inch, showing the centre line of proposed canal with locks of 650 feet by 65 feet by 24 feet at Pointe Fortune and Hawkesbury, and dams, power houses and regulating sluices at both Carillon and near Grenville.

Mr. ADSHEAD: A government plan?

Mr. GARLAND (Bow River): Yes. It was an old and subsequently discarded plan. These plans are discarded; they are to-day worthless, and until the report of the engineers is carried out in detail, this House should not be asked even to consider something which the government has not dared to recommend to this House or to the governor in council. Subsequent to the 1908 plan, upon which all the existing plans of the company are now based, an investigation was held into this whole question.

Mr. STEWART (Edmonton): When were the plans asked to be approved?

Mr. GARLAND (Bow River): The only date I can find is December 12, 1925. This is simply a file, No. 223, tabled by the depart-

ment on June 1, 1926, containing the correspondence up to and including that date.

Now, Mr. Speaker, I have in my hand the two volumes of Sessional Papers, one for 1916 and the other for 1918, containing an enormous mass of information, indeed they are almost entirely devoted to the reports of the Sanford Evans commission. That commission sat for four years. It was appointed about 1916 for the purpose of investigating this whole project—the canal project, of which my hon. friend who has just taken his seat spoke. With the limited time at my disposal I have carefully studied these papers and have had others read them for me, and they contain not a single line or sentence that could be used by anyone in support of the canal project. On the contrary, as a result of the three reports made to the House since 1918, the canal project has been as dead as a herring. Why is it brought along at this time—why, after the government itself refused to sanction the plans of the company, why after the government itself dropped the whole subject after receiving the report of the Sanford Evans commission? The reason has been given by several speakers; it is this: the power necessities of the provinces have developed so rapidly that they provide an excellent opportuniy for exploitation hitherto unknown. There is no doubt in my mind that that is behind the whole effort of the promoters of this bill.

So far as the feasibility of the construction end of the canal is concerned, I would simply call attention to parts of a report by engineers in which the following passages occur:

> A glance at map "A" of the survey made by the Department of Public Works in 1908 shows that this canal as projected has its western terminal at the mouth of the French river, on Georgian bay, and ascends said river through 3 lift locks up into lake Nipissing, and through it to North bay, 82½ miles.

This is the description given in the report of portions of the proposed Georgian bay and Ottawa canal route:

> The Georgian bay coast is probably the most dangerous of any on the great lakes, and the entrance of the middle outlet of the French river, while not particularly difficult of navigation, is dangerous, being comparatively narrow and confined between submerged ledges of rock and small islands. At the mouth of French river, four miles out from the shore, are the Bustard rocks, and safe water in the lake is not reached until four miles beyond these.

So the entrance to the river alone for large steamers is so extremely dangerous as to render the canal project largely unfeasible. For eight miles you would have to travel in a narrow channel between submerged rocks and islands, and the rates of insurance as a result would be enormously high, especially as that portion of the coast is described by navigators as the most dangerous of the whole Georgian bay coast.

Mr. YOUNG (Weyburn): What is the width of the channel?

Mr. GARLAND (Bow River): It is not given. But in a high wind the hon. gentleman can readily realize that a vessel steaming up to the mouth of the French river, at reduced speed necessary in entering the canal having lost a good deal of its leeway, would be in great danger of being blown onto these submerged rocks. In fact the situation would be perilous. At any rate those navigators and engineers who have studied the local conditions are satisfied that the entrance to the French river is so dangerous as in itself to condemn the project from the navigation point of view.

Mr. BROWN: Has the hon. member at hand the extent of the lift from lake Huron up to lake Nipissing?

Mr. GARLAND (Bow River): Yes, but it would take a long time to go through it all. There are three lift locks. Let me, however, say that in that portion of the report pointing out further difficulties in the canal situation it is stated:

> Because the height of land separating the waters of the great lakes and those flowing to the Ottawa river must be crossed by the Ottawa-Georgian bay canal, there must be a summit level from which the canal can be fed east and west to its terminal harbours. A canal fed from a summit level requires twice as much water as end-fed canals like the Welland and the St. Lawrence. The height of land, which is a granite ridge is between lake Nipissing and Trout lake. At this height of land a reservoir is to be made incorporating Trout, Turtle and Talon lakes, and must contain water enough at all times for canal purposes. The summit level or reservoir has an elevation of 29 feet above lake Nipissing, 99 feet above Georgian bay, and 677 feet above sea level.

When one gets into the details of the report it is apparent that the engineers themselves in their preliminary plans saw that it would be necessary to consider plans for the installation of several heavy pumping plants, to be used, in addition to the natural flow of water, to pump water from Georgian bay or some other source into the height of land basin in order to provide sufficient flow of water for the canal.

Mr. LAPIERRE: No.

Mr. GARLAND (Bow River): The hon. gentleman interjects a denial; then let me read the report itself, which devotes much

space to the problem of maintaining the required volume of water at the summit level. The following extract from the report reveals the concern of the engineers regarding this question:

When the sufficiency of the water supply at the summit level of a canal is in question, its correct determination is a most important problem.

Now I ask my hon. friend to note this. There was no doubt about the engineers being uncertain regarding the quantity of water that they could obtain to supply the summit level or they would not have proposed the following:

A pumping plant has been designed which would take the water from about 1,500 feet below the entrance to the locks to lake Nipissing and discharge it the same distance above the upper entrance against a head of 27 feet. There are to be five units, each consisting of 1,000 horse power motor, directly connected to a turbine pump of 200 cubic feet per second capacity. These pumps can keep the summit reservoir full and could be closed down for two months, while the demands of navigation are supplied from the reservoirs. It is true that in no large canal has such a principle ever been resorted to for supplementing a deficiency in the water supply.

I need not go further. I simply point to those extracts from the reports made by the engineers to indicate that the statement made by the hon. member for Ottawa this afternoon that the feasibility of the canal is unquestioned is not accurate. Its feasibility is most seriously in question.

Let me now come to another point raised. The hon. gentleman described with great vividness the altruism of the promoters of the bill. This bill was for the purpose of devloping a canal, he states—always a canal, nothing but a canal. In the hon. gentleman's own brief, in the brief that many hon. gentlemen opposite have seen and some have been influenced by, the following statements occur:

By the 91st section of the British North America Act of 1867 the parliament of Canada possesses the exclusive legislative authority to deal with and control navigable waters for purposes of navigation and shipping.

Then comes the following:

It is clear that the Dominion does not possess any rights—

I want those hon. gentlemen who are anxious to ascertain the nature of the provincial rights in this matter to pay attention to what follows:

It is clear that the Dominion does not possess any rights on such rivers aside from or in excess of those derived by virtue of the above mentioned right of the Dominion to so deal with and control navigable waters for the purposes of navigation.

Therefore, according to the brief of the gentleman himself, all waters not needed for navigation belong to the provinces, by the very right of the provinces for development purposes. You will notice how this document contradicts itself.

The actual property in such navigable waters is vested in the provinces but is subject to an over-riding right of user appertaining to the Dominion for navigation and shipping purposes.

The Ottawa river was declared navigable and all works thereon declared to be works for the general advantage of Canada, by an act of parliament passed in 1870, being 33 Vict. chap. XXIV.

Now here is where the company gets in some of its nasty legal arguments:

By the special acts respecting the Montreal, Ottawa and Georgian bay canal company, the parliament of Canada has authorized that company to develop the navigation of the Ottawa river.

By so doing the parliament of Canada exhausted during the currency of those acts, the rights of the Dominion in regard to the granting of the use of water on the Ottawa river. Any executive authority granted by the Dominion for the use of water on the Ottawa river for any purpose except navigation and shipping is invalid as being ultra vires.

Again they admit provincial rights, but before they get through they throw provincial rights to the winds in the following:

Therefore the Montreal, Ottawa and Georgian bay canal have the exclusive and overriding right to the use of water on the Ottawa river, a right which, when put into force, destroys all other claims. Any existing users of water in the Ottawa river are, to the extent to which they interfere with the right of development and control of that river for navigation, interlopers with no legal status whatsoever.

But notice the qualification:

To the extent to which they interfere with the rights of development and control of that river for navigation.

Now turn back to paragraph (j) of their own statement, the statement of the brief of the hon. member for Ottawa. It reads:

As a matter of physical fact there is no water in the Ottawa river which is not essential for navigation.

The company behind the scheme claims that under this charter the Dominion of Canada will have relinquished not only all its rights but all other rights provincial or private now existing. Let me ask hon. members this question: after listening to the hon. member for Ottawa this afternoon, and other lawyers who have spoken, can you not imagine what a hideous mass of litigation the passing of this legislation would mean to the Dominion and the provinces? Do you think, after the statement of Premier Howard

Ferguson, speaking for Ontario; after the unanimous resolution passed by the legislative body of that province, and after the position taken by Premier Taschereau, who has asserted, in respect of the Ottawa river, the rights of the province of Quebec—do you think the parliament of Canada could get away with such a violation of provincial rights as to pass this bill and give to a private company the right to declare everybody and every interest now using the river an interloper with no rights whatever? The situation is utterly absurd. One would fancy no development had taken place. There have been some developments on the river. If this measure were passed the first litigation we would be up against would be in reference to the Carillon power and then there would be litigation about the power at many other points. If parliament desires to turn the Dominion into a sort of inciter of litigation for the benefit of lawyers by passing such legislation, then I submit parliament could well devote its time to much better purpose.

Mr. STEWART (Leeds): I do not know about that.

Mr. GARLAND (Bow River): My hon. friend, being a lawyer, does not know about it. I, being a layman, having to pay taxes, do know about it. Again in their own brief they say:

> This is the first occasion in the history of the Dominion of Canada that it has been possible to secure the construction of a great public work without the expenditure of public money, directly or indirectly.

How altruistic, how delightful! I cannot for the life of me, with all the kindness I have in my heart, conceive that the Sifton interests, so powerful commercially, so notoriously known throughout Canada for their ability to secure much of the public domain for their own use and aggrandizement, are now becoming altruistic and are going to build a canal without exacting anything from the public. It is true it will not come out of the treasury directly, but from the pockets of the power users. Well, we will come to a point in connection with that later on. The brief continues:

> The present opportunity to secure enormous, immediate construction activity, with concomitant large circulation in Canada of foreign and new money and the consequent immediate general stimulation to business in the Dominion should, we submit, not be lightly cast aside.

Once this measure is passed the private interests control it. The Sifton interests with their board control it. I want hon. members to imagine any hard-headed Wall street financier advancing to the Siftons or anyone else sufficient funds to undertake the development of this canal or these power projects as long as the terrific danger of litigation which is now threatened rests over their heads. It is absurd to think of it. I do not believe for that single reason alone that the Sifton interests could secure a dollar of United States money for the development of this canal project, because no man with common sense in his head is going to invest large sums of money in the building of a canal and subsequent power projects while there is a danger that it may be held up indefinitely by provincial as well as private legislation. The brief proceeds:

> Incidental to the construction of the Georgian bay canal an enormous amount of electrical energy will be developed.

Yes, about a million horse-power. Now note:

> Upon this fact hinges the present opportunity. It is this incidental electrical development which makes possible the building of the canal other than at the expense of the taxpayer.

You know that is a pretty ingenious way of getting round the taxpayer, but let me point out for a moment, as has been pointed out before in this debate, the stupidity and the absurdity of the argument. The taxpayer is not going to be assessed directly for the building of the canal, but the poor beggars along the canal route in the zone to be served by the electrical energy developed are to pay for the whole development of what should be a national project. It would be a grievous violation of every known principle in connection with canal construction. Well, there is no use going further than that.

Mr. CHEVRIER: Quite no use.

Mr. GARLAND (Bow River): I cannot imagine an hon. gentleman coming here with a brief of that kind—they practically say, "let us soak the local consumers of electrical energy for the purpose of building a canal several hundred miles in length, in order that it may become a national transportation link. A private company should never be permitted to develop any large transportation project of this nature. It is a violation of the old principle that the Dominion government shall build and control canals and that they shall be toll-free to the public. Yet here, not only is it a violation of that principle by allowing private interests to undertake the construction of it, but we are proposing to allow the company to charge tolls. It is true they admit they do not expect to get very

much revenue from these tolls. They do not expect to get enough to pay the interest on the investment and operating costs on any fair proportion of the total capital. They expect the total cost to be about $282,000,000, and the consumers of electricity are to be asked to pay the fixed charges and operating costs on $250,000,000 of that total. They expect to pick up something additional in the way of tolls from the users of the canals to cover the charges on the $32,000,000 balance. The brief says:

A large part of the expense of developing the potential hydro-electrical energy along the route of the Georgian bay canal is inherent in the building of the canal.

Yes, surely it is.

The canal cannot be constructed without at the same time constructing the dams and practically everything necessary for the electrical development.

Quite right. Not only that, but I make this assertion that the company can at any time step into any part of this canal project and build any dam for the alleged purpose of canalizing that part of the system, and then pass on to some other district, building another dam and there is not a single obligation upon them to complete the water-way. There is no obligation in the charter to compel them to do so, and I defy the promoter of the bill to contradict this statement. The hon. member is in his seat and if he can dissuade me from this view I shall be pleased to have him do so.

Mr. CHEVRIER: I made my argument this afternoon and the hon. member can read it in Hansard to-morrow.

Mr. GARLAND (Bow River): I listened to the hon. member's whole argument this afternoon, if it was indeed an argument—and I wish to be kind to him—but I repeat, he cannot disprove the statement I have just made. The company's brief proceeds:

For the comparatively small additional expense of installing the power houses and turbines, the power can be developed as well as the navigation. Private parties are willing to take the no inconsiderable risk that the sale of power plus the tolls on the canal will pay interest, maintenance, etc., and sinking fund—that is, all fixed and operating charges on the cost of the canal plus power, whereas to do the same, tolls on the canal alone would have to be so high as to be prohibitive. Therefore, without the coincident development of power, the canal could not be financed. With it it can.

Furthermore, as a matter of cold engineering fact, the same excavations, foundations, dams, sluices, embankments, raising of levels, etc., etc., are required for navigation as for power.

That is their own statement: the power is to pay for the whole business.

So they can proceed to put up dams, foundations, sluices, embankments, and so forth, develop power at any given point and then pass on to another section, but there is no obligation upon them to complete the canal.

The reverse is not true, the power can be developed without undergoing the expense of canal cuts or locks.

Certainly. I submit this point to show that because of the ease with which as they themselves admit the canal can be built, the federal government should undertake the construction of this waterway if it is at all feasible although as I have already shown I have serious doubts in the matter. The brief goes on:

The real fact that in navigable rivers the Dominion of Canada and those holding title from the Dominion of Canada can control the water-power as against the rival claims of the provinces,

There again they frankly confess that there will be rivalry.

Mr. HEAPS: Will the hon. gentleman explain what he means by a "brief"? I did not know that hon. gentlemen in this House were allowed to read briefs prepared by any company.

Mr. GARLAND (Bow River): I was also under that impression, but I know that on many occasions briefs are prepared and submitted to hon. members. I will not press the point because I am indebted to the courtesy of my hon. friend from Ottawa (Mr. Chevrier) who has been very fair with me in this matter.

Mr. CHEVRIER: I wish my hon. friend were as fair with me.

Mr. GARLAND (Bow River): I try to be so. The statement goes on.

Upon the issuance of the order in council approving the plans of the Montreal and Georgian Bay Canal Company, the special acts referring to that company (which until then are in some respects in suspense) becomes wholly operative to the complete exclusion of any and all other conflicting leases, rights, authorities or claims, and particularly to the complete exclusion of the various so-called impediments to that company, now so strongly supported by various claimants and interim interlopers on the field of navigation. On the issuance of such an order in council, the chartered company's special acts become operative with the full force which it is possible for the sovereign right of the parliament of Canada to give.

The adjustment of all claims would then be a matter of litigation. What a pleasant position for the parliament of Canada to be placed in. And why? Paragraph 17 contains the following explanation:

For the reason that the money made out of power development, which money should construct the canal, would under those conditions have been granted to the shareholders of such power companies as profits and would thus be lost forever.

This could be used to help the construction of the canal. Again we see the object in view.

Mr. CHEVRIER: Will my hon. friend be fair with me? He is quoting from a brief with which I have nothing to do. I am not the father of it. This afternoon I submitted to the House my interpretation of the charter, and I stand or fall by that charter and not by the brief which is being quoted. The hon. gentleman is not quoting from any speech of mine nor from any submission I have made.

Mr. GARLAND (Bow River): I am glad to have my hon. friend's refutation of what I presumed to be his brief.

Mr. CHEVRIER: I never said it was.

Mr. GARLAND (Bow River): I understood that to be the case, but I accept the hon. gentleman's word.

Mr. CHEVRIER: It is not mine; and just to prove that it was not prepared by me I may point out that what the hon. member has read is in absolute contradiction to section 43 which I quoted this afternoon.

Mr. GARLAND (Bow River): Certainly. But does the hon. gentleman deny that this is the brief distributed by the Sifton interests?

Mr. CHEVRIER: Of that I have no knowledge.

Mr. GARLAND (Bow River): I have. It happens to be the same brief they distributed to certain members of the House.

An hon. MEMBER: Not throughout the House.

Mr. GARLAND (Bow River): Not throughout the House, but to as many members as they could get hold of. The brief goes on:

Power profits can be fairly expected to pay fixed and operating charges on about $250,000,000, leaving about $32,000,000 of additional capital to be found for canal alone.

It is really unnecessary to go further. The whole thing is replete with contradictions and assertions which definitely damn the report in the eyes of any man who believes in public ownership or in the retention of the public domain for the use of the people. The brief condemns itself. I wish all hon. gentlemen had secured copies of it, for I have no doubt that if they had read it there would have been removed from their minds any doubt whatever as to the proper action this parliament should take in respect to the bill now under consideration: they would reject it ruthlessly.

There is another point to be considered. The hon. member who has just taken his seat, (Mr. Arthurs) made a brief reference to it and I may mention it once more because it is one of the strongest arguments against the charter. Surely Canada has had sufficient lessons in the duplication of transportation systems. Surely we have been cured of the mania for grasping at visionary plans of promoters and allowing them to secure public property with a view to realizing some extraordinary ambitious grandiose scheme of transportation. The lessons we have learned with respect to our Canadian transcontinental lines should have convinced us forever of the danger of grasping too easily at such projects. A few years ago we started the Welland canal in which we have sunk nearly $100,000,000 and it will cost the country another twenty to twenty-five million dollars, and possibly more to complete that undertaking. Now if we assume, although I am not willing to do so, except for the sake of argument, that every statement made is correct in relation to the possibility of constructing the canal now under consideration, that the canal can be built to serve a useful purpose, that it will secure the mass of tonnage which the brief of the promoters alleges it will, then I have this to say, that it would take away from the Welland canal project the last possible hope of salvaging one dollar of the taxpayers' money invested in this project for it would then completely replace that canal and render it useless. Are we still mad that we are going to commit ourselves to such a folly? Do we want to lose $110,000,000 already invested in a canal which is almost completed in order to satisfy the promoters of this charter?

Another reason given for the construction of this canal, rather than the completion of the Welland or the deepening of the St. Lawrence waterway, is the possibility that in the future we may be faced with the horrors of a conflict with the United States. Let me say to the hon. member who made that suggestion that he did not do himself justice. No matter what fears any individual may have to-day regarding our future relationships with the United States, no argument of that kind could ever justify our stopping the development of the St. Lawrence waterway.

That project will be commenced and completed just as soon as this country is ready for it, just as soon as the people want it and when we are prepared to undertake our share of the expense in connection with it. All the smoke screen which my hon. friend so unfairly brought before the House this afternoon will never dissuade me from the illogical nature of the plan now proposed and the logical nature of the St. Lawrence deep waterways proposal.

All through history and even to this moment, Mr. Speaker, this charter has been surrounded by the most sinister influences. I am now adopting, I will admit, some of the tactics of my hon. friend in referring to it in this way, but I am compelled to do so because many editorials have appeared recently referring to the extensive and highly efficient professional lobbying which has been carried on among members of this House. Personally I have no objection to a lobby if it is reasonable; I am glad to hear all sides of a question, but when a lobbyist comes to my room, as a rule he simply incites my curiosity and causes me to seek information in other places. Nevertheless, it seems to be the fact that people are inclined to regard lobbyism as something suspicious. There is one question, however, which I would like to ask. Why did the ministry through the mouth of the Minister of Railways (Mr. Dunning) the other day, virtually declare that if this bill had not been introduced by a private member it would have been introduced by the ministry? Why would the government father a bill which had been dropped by a former government as not being feasible? Why should the ministry introduce this bill when their own engineers and their own Department of Public Works condemn the plans which have been submitted up to the moment? Mr. Speaker, there must be a reason behind it. I am not going to impute motives to the government but I am going to tell them that there are rumours going through this House which the government would do well to refute, rumours that this bill is the result of pre-election pledges. Is that true?

Some hon. MEMBERS: No.

Mr. GARLAND (Bow River): Very well. I have in my hand an editorial appearing in the Catholic Record of London, Ontario, under date of Saturday, March 19. With reference to the sale of royal honours in Great Britain, this editorial says:

> Campaign funds are perhaps a necessary evil. Stable government, with an assured majority, is a good thing. But a government with an assured majority may do things that a government with a precarious majority would not dare to do.
>
> After all, while the sale of royal honours may muddy up the fountain of honour, it does not cost the common people anything. It is a distasteful way of raising party funds, but it is not stealing from the people.
>
> There are men in public life who would scorn to enrich themselves by dishonest or dishonourable means, but who would not hesitate to buy campaign funds with the gift of public property.
>
> Just now in Canada there is the question of reviving the old dead and buried Georgian bay canal.
>
> There is one and only one reason for this revival.
>
> It is party funds.
>
> A stable government, with an assured majority, may look to this source of party funds and dally with it; perhaps put over this gift of electric power to private interests under the pretence of constructing a canal for the benefit of the people. But not if the people show themselves alive to their own interests.
>
> It would be ten thousand times worse than the sale of royal honours. There is no reason in the world for such a shameless transaction other than the necessity of raising party funds. And to rob the people in order to pay the pirates who will contribute to party funds is infinitely worse than to sell royal honours for cash.

Along with that, we had an incident which occurred during the life of this charter not so many years ago. The House suddenly discovered, after it had passed the bill, that the bill before the Senate was not the bill which had been passed by the House. Something had happened to it in the meantime, some sinister influence had been at work, and the major part of the framework of the bill had been altered. Let me quote from Hansard of February 20, 1913, at page 3741, where Mr. Lancaster, then chairman of the committee on railways and canals moved, seconded by Mr. White of Renfrew, the following:

> That a message be sent to the Senate requesting their honours to return to this House Bill No. 45, respecting the Montreal, Ottawa and Georgian Bay Canal Company, as it appears that the said bill as sent to the Senate is not printed as passed by the House of Commons.

Some members asked him to explain, and he proceeded as follows:

> It has come to my notice that their honours in the Senate will be called upon to consider a bill presumably passed by this House, but which, if considered in its present form, would put this House in a very ridiculous position. The House of Commons, after due deliberation, passed the bill referred to, and section 4 of the bill as sent to the Senate undertakes to repeal the whole of chapter 123 of the statutes of 1912. This House never did any such thing. It was never suggested by any member that we should. What we did was to repeal section 1. In some strange way—I do not want to impute motives, but I have to have a good deal of

charity in my disposition to think this interference was not intentional—after the House dealt with the bill the bill was printed in such a way as to strike out the whole chapter instead of what the House actually did. The effect would be that the company would have no directors and provincial rights with regard to water-powers would not be protected. It is a strange thing; the House will have to deal with it afterwards as they see fit, but it is my duty now as chairman of the railway committee of the House of Commons to call attention to the fact that this House has been placed in the position of having sent a bill to the Senate which we never passed as sent, and I move that the Senate be asked to send that bill back to us in order that a proper bill as passed by this House may go to them for consideration.

This motion was agreed to unanimously. Now, Mr. Speaker, I do not propose to delay the House very much longer in this connection. I do submit, however, that this charter should not be renewed for many reasons, first perhaps because of the utter failure of the company to even file plans that could be accepted, the utter failure of the company to do the least thing in keeping with recommendations of the engineers of the Department of Public Works. The company have had thirty-two years in which to do this and nothing has been done as yet. And then again, there is the engineering feature of the scheme. I will be as kind as possible to my friends opposite, but the very best that can be said is that there are grave doubts of the feasibility of this canal scheme, and in any case let me submit what I said before, that if the canal is found to be feasible it should be undertaken as a national enterprise by the Dominion government, and not by a private corporation. Again, the granting of this charter would be a violation of the principle of public ownership, and of the control of the provinces over their own water-powers. The statements of the promoters which I have just read prove conclusively that as soon as the charter is granted they will assume, by virtue of the overriding right vested in the Dominion government, and surrendered to the company to complete and utter control of every interest located along the canal which may interfere with their own project. Again it violates the principle of toll-free canals, and interferes with the development of national ownership of our waterways. It would place at the mercy of an utterly merciless corporation—a private group of some notoriety, which has not public interest as its guiding influence—all those users of electrical power in the immediate vicinity of these works. Any reasonably-minded man knows that the objectives of a commercial corporation such as that seeking this charter are not altruistic and that they are not working for the good of the people. Commercialism to-day has become too bitter for that; it is too vicious a system to ever grant to the people justice and equality. It would place at the disposal of private interests a heritage of the people, and would subject those people in the immediate vicinity of the canal almost to a condition of subjugation in connection with the power for use in the factories and mills and on the farms of the district. It goes to the length of suggesting that those who use power should pay for what should be a national avenue of transportation. That, perhaps, is one of the most vicious features of the whole proposal. It will in the opinion of the hydro-electric commission, according to the statement of Mr. Magrath, and I believe the statement to be perfectly true, prejudice the whole future of hydro development in the province of Ontario. Let us not forget that the hydro-electric commission has reached the limit of its present development, and for its future expansion there are only two great sources of water-power left. One is the St. Lawrence, and the time may not have arrived when we can undertake that development, and the other is the Ottawa river. Do we propose to stop the expansion of public ownership in Ontario by granting to private interests their half—and I say it with all my belief behind it—of the rights to the water-powers of the Ottawa river? Shall we prejudice the whole future of hydro-electric and with that the whole principle of public ownership in the province; to do so would be an indefensible flouting of the expressed, the unanimously expressed, will of the province of Ontario; it would be a flouting of the expressed desire of the province of Quebec through the mouth of its own premier, and it would destroy the last vestige of hope left to the shareholders in the nation, the taxpayers, of securing one dollar back out of the enormous investment of one hundred and twenty millions to which we are committed in the Welland canal.

For all these reasons, and for other reasons which I do not wish to delay the House in reciting, I am opposed to the granting of this charter. I am opposed to this bill even going to committee, because no committee can change the principles under which this charter is being sought. Why waste the valuable time of members of this House by asking them to investigate a bill the underlying principles of which are in violation of the recognized principles I have referred to? That would be stupid and futile. It would be stupid to let a bill, the fundamentals of which

you could not change, go to a committee and be killed there. Hon. members opposite have said: let it go to committee and we will kill it there. Why waste time talking over this bill for a couple of months just to kill it in committee? Kill it now. The principle of the bill is unsound, absolutely unsound in every respect. Whether as regards the canal development or as regards the power development, it is unsound in principle. It is a violation of the rights of the people. It is a clear, absolute and complete theft of the people's property. It is a deliberate attempt to surrender the heritage of the Canadian people to private interests. I support the amendment because it proposes to kill the bill, and if the amendment is defeated I will vote against granting the charter.

Mr. E. D. R. BISSETT (Springfield): I intend to take very little time this evening in discussing the amendment to this bill to renew the charter of the Montreal and Georgian Bay Canal Company. To begin with I am opposed to the bringing into effect of the legislation sought by this measure, because I believe that such a move will alienate the rights of the Canadian people as regards water-power and other rights on the Ottawa river, and other rivers concerned. The Minister of Railways (Mr. Dunning) stated during his remarks the other night that this was a fight between two rival companies for the control of the power at Carillon. I trust, Mr. Speaker, that before this debate is ended the people of this country will, through their representatives in this House, claim those rights for themselves, that they will claim what the Minister of Railways told us was the bone of contention, namely, the power on the Carillon falls.

In common with the hon. gentleman who has just taken his seat (Mr. Garland, Bow River) I believe the big question under discussion to-night is not one of allotting power rights to certain interests. The whole question is: are we for or against public ownership? I believe that there is a movement on foot to-day to monopolize to a great extent the available hydro-electric energy in this Dominion. The hon. member for Winnipeg North Centre (Mr. Woodsworth) pointed out in his admirable address quite clearly that two or three groups of financial interests controlled the hydro-electric energy in Canada to such an extent that their income almost equals that of the Canadian National Railways, or the total income of the province of Ontario. The control of electrical energy in this country to-day will, I contend, mean the absolute control of the industrial life of the country before many years have gone by, and with the rapid advance in the development of electrical service that day is steadily drawing nearer. The question, therefore, which faces the people of Canada to-day is: shall they control the power, or shall the power interests control them?

In the constituency which I have the honour to represent is developed all the hydro-electric energy used in the province of Manitoba, and the history of the circumstances surrounding the entry of the city of Winnipeg into the hydro business is one which would convince anybody who happens to live within that vicinity of the advantages of public ownership over private control. Before the city of Winnipeg went into the hydro-electric business they were paying 20 cents per kilowatt hour for the power used in that city. Immediately following the building of their plant at Pointe de Bois the price of power dropped to 10 cents, and to-day it is only three cents, which goes to show the advantages of a publicly owned utility.

As an example of the monopolies existing in certain parts of the United States I should just like to quote one or two facts. On July 25, 1925 it was announced that the Middle West Utilities Company had perfected mergers and consolidations that gave control of public utility services in 1,269 cities, towns and villages in 18 different states. In other words the public service utilities in 18 different states, and in 1,269 towns, were at the absolute mercy of a private corporation. This question of the monopoly of electrical energy is one that is engaging the most serious attention of the nation just south of the international border. It is engaging their attention because of the fact that they have awakened, when it is too late, to find that they are at the mercy of the power interests in that country. In this connection may I quote what Governor Clifford Pinchot, of Pennsylvania, in his message of transmittal of the report of his Giant Power Survey Board, made public in February, 1925, had to say regarding the power trust in the United States. Speaking of the power trust he says:

> Nothing like this gigantic monopoly has ever appeared in the history of the world. Nothing has ever been imagined before that, even remotely approaches it in the thoroughgoing, intimate, unceasing control it may exercise over the daily life of every human being within the web of its wires. It is immeasurably the greatest industrial fact of our time. If uncontrolled, it will be a plague without previous example. If effectively controlled in the public interest, it can be made incomparably the greatest material blessing in human history.

That is the opinion of the governor of one of the largest states in the American union after a thorough investigation had been made by a committee. Senator Norris, who has filled page after page of the congressional record with facts regarding this trust, states that he has been dumbfounded and amazed to learn that over twenty millions out of fifty-five millions horse-power of potential hydro-electric power in the United States have been already awarded to or applied for by private organizations.

I notice in a Washington paper dated March 19 of this year an article on the power situation as it affects the United States. It is headed "Federal Commission discloses how small group dominates electric field", and it reads:

Responding to a resolution introduced by Senator Norris of Nebraska, asking information on the power trust and its interests in Muscle shoals, the Federal Trade Commission has made a report which more than justifies every warning of monopoly uttered by Senator Norris and Senator Walsh of Montana.

It shows that a little group of interests controls almost 90 per cent of the power development of this country, that these interests are interlocked, and that the profits make Croesus look like a piker.

Owing to the holding device, the concentration of power is almost unbelievable.

"In one instance," the commission says, "less than a million dollar investment in the majority of the voting stock of the apex holding company gave full control of the entire organization of the group, having scores of underlying companies and several hundred million dollars of investment."

Another item appearing in a New York paper under date of March 14 of this year states:

Power Issue Splits Smith and "G.O.P."
N.Y. Republican Leaders Favour "Private Enterprise" Against "Government Control"

New York, March 14.—The long expected break between Governor "Al" Smith and the Republican organization which controls both branches of the state legislature has developed.

The governor insists that New York's water-power resources must be developed under state control.

That is what the Governor of New York state says about the matter:

The Republican leaders are determined that the power trust shall have a chance to do the job.

The G.O.P. leaders propose to name a commission to study the hydro-electric problem, with authority to consider both public and private development. Governor Smith maintains that the inquiry should be confined to the feasibility of public development.

The result will probably be a deadlock of indefinite duration.

[Mr. Bissett.]

The power trust is willing to permit things to remain as they are. It hopes that Smith will go out of office in 1928 and that he will be succeeded by someone who is more favourable to the trust.

Those two items dated only this month give quite a clear idea of what the power situation is in two of the largest states in the great union just south of us and show that it is a problem which is engaging the earnest attention of many at the head of public affairs in both of those states.

As I stated a few minutes ago, and I think, the hon. member for Peace River (Mr. Kennedy), in his address the other day, suggested it, the control of electrical energy represents in great measure the control of the development of the industrial life of the country. I notice that in the city of Chicago 45 per cent, in Indiana 60 per cent, and in Ontario 85 per cent of the industrial plants use cheap electrical energy for their operation.

Why, may I ask, are so many branch factories of United States manufacturing concerns coming to Canada to-day? Some hon. gentleman would say: because of the tariff. Whatever relation the tariff may have to the question of building up industries in Ontario, I believe the real answer is the hydro electric system of that province. In support of that statement, I might state that in the hearings before the Senate committee of the United States on the Fordney-McCumber tariff bill, the chamber of commerce of Niagara Falls, New York, presented a memorial in which it is stated that the manufacturers of Ontario enjoy a power rate of one-half of that which is charged by the privately owned corporations of the state of New York, and therefore it prays for tariff rates to protect them from the competition of Ontario manufacturers. It will be seen from this that cheap hydro electric power is a greater factor in the industrial life of the country than probably any other single factor. I would like just at this point to give a few striking examples showing the rates before and after municipal or public ownership:

Place	Before cents	After cents
Chicago	12	5
Cleveland	12.05	3
Palo Alto, Cal.	20	7
Seattle, Wash.	20	5.50
Jamestown, N.Y.	10	5
Pasadena, Cal.	15	5
Springfield, Ill.	11	6
Winnipeg	20	3
London	9	3
Calgary	14	5
Hydro Electric Power Commission of Ontario 247 municipalities	9.85	3.45
	per K. W. hour	

I think these figures will demonstrate the advantages which have accrued to many municipalities and cities by taking over this hydro-electrical development. I contend that the organization, unification and inter-connection of vast and far-reaching electrical power systems are inevitable for the reasons which I have already briefly pointed out. We are coming more and more face to face with that self-same situation. The economic advantages to be gained by such a system are so great that, whether we like it or not, we are rapidly being drawn into it. The question which this country has to face to-day is this: Shall this be a private or a public monopoly? For that reason I contend that the bill under discussion means nothing more nor less than this: Are we going to hand over to private interests the potential electrical energy of the great waterways of Canada, or are we going to see that they remain and are controlled and developed for the general advantage of the people of this country. Because I believe the water rights of this country should be retained, owned and controlled by the Dominion of Canada for the general benefit of the citizens thereof, I move, seconded by the hon. member for Dauphin (Mr. Ward):

That all the words after the word "therefor" in the said amendment be struck out and the following be substituted therefor:

That inasmuch as the construction of the Montreal, Ottawa and Georgian bay canal and the development of the water-powers incident thereto are essentially of the nature of public utilities,

That these undertakings, including the development of all works for water-powers or others, on the Ottawa river, Mattawa river and French river, if not within the class of works which have been declared for the general advantage of Canada or the advantage of two or more provinces under the statute of 1870, shall be so declared.

That in the opinion of this House such natural resources should not be alienated,

And also, that no further leases or extensions of leases on the Ottawa river, Mattawa river and French river should be granted without the consent of parliament.

That all existing rights, claims and leases in private hands, as affecting the Ottawa river, Mattawa river and French river, with the exception of those power sites already fully developed, should be recovered for the general benefit of the people of Canada,

And further, that this House is of the opinion that the developments on the Ottawa river, Mattawa river and French river should be taken over by the government of Canada as part of a comprehensive scheme for the supplying of navigation facilities and hydro-electric power to the people of the Dominion of Canada at the lowest possible cost.

Mr. SPEAKER: This amendment is out of order for the reason that the bill is a private bill. It is true that by reason of the discussion the bill has assumed a measure of public importance, so much so that the hon. leader of the opposition moved an amendment in these terms:

The character and object of this bill involve matters of grave national and provincial importance, and are such as to constitute it a measure of public policy which ought not to be dealt with by any private bill.

But his amendment does not pretend to advocate a policy which naturally should originate with the government. The purpose of the bill apparently is for the construction of a canal. There is no mention of water-powers, although personally I may be of the opinion that there is some water-power development behind the canal project, but as a matter of fact the bill is simply for the extension of time for the construction of a canal. According to Bourinot, page 509:

All amendments "must strictly relate to the bill which the House by its order has resolved upon considering."

I find in the twelfth edition of May at page 358 the following, which on the one hand supports the point of view of the leader of the opposition in moving his amendment, and on the other is against the subamendment:

On the 21st of February, 1854, an amendment was made to the question for reading the Manchester Education Bill a second time, that "education to be supported by public rates is a subject which ought not, at the present time, to be dealt with by any private bill," which gave legitimate expression to the opinion of the House.

What I have just read is in accord with the amendment moved by the leader of the opposition. Now, as against the subamendment, May adds:

Amendments, however, to the question for the second reading of a private bill, which seek to substitute for that question a resolution declaring the opinion of the House on a matter of public or general policy, are out of order.

Basing myself on May and on many precedents, I rule that the subamendment is out of order, and I so declare.

Mr. J. A. BRADETTE (North Timiskaming): Mr. Speaker, it was not my intention to take part in this debate as I thought that this being a private bill it would have been referred to a committee at least two weeks ago. As a representative from northern Ontario, which is directly interested in the construction of the Georgian bay canal, I am bound to express my views. I do not intend to be partisan and I shall confine myself strictly to what I believe to be the truth. In our section of the country without private

development we would never be enjoying our present measure of prosperity if it were not for private capital and enterprise. I hold no brief for private or public ownership interests. We know that it is impossible for us in northern Ontario to ever expect to have hydro-electric development under public ownership, for the simple reason that the provincial government for the last fifteen years has seen fit to alienate practically all the water-powers in that settled section of the country.

I have never had an opportunity to meet the Sifton brothers, but judging from what I read in the newspapers it would be wise for me to be on my guard if I ever come in contact with them, for they are described as very bad people. However, in my section of the country we judge men not by newspaper reports but by our actual contact with them and by the way they are developing the province. As for public ownership, I repeat, that in northern Ontario we have no hope of ever getting development under the Hydro Electric Power Commission. Indeed under that commission some illegalities and considerable injustice have been imposed on northern Ontario as a whole.

But it seems to me that the subject of public ownership has been confused with governmental control of industrial enterprises. These two categories are not merely separable, but they are in reality fundamentally distinct. The right of eminent domain or the universal right of the public over property is embodied explicitly or implicitly in the law of every civilized country. The right of eminent domain by the state during the war was exercised by every belligerent nation, and under it lands, plantations, forests, oil wells, railways, telegraphs and cables and telephone lines, telegraph cables and even private residences and industrial establishments were taken over by every belligerent state except Russia, in order that the nation might exert its maximum war effort. This has been the ruination, not only of the individual and of the public, but of the nation as a whole. I am bound to put the facts before the House as they exist. I represent one of the largest portions of the province of Ontario, and the richest one in developed and undeveloped natural resources, and it is a territory worth fighting for.

I quote from the Hamilton Herald the following:

> Worth Fighting For
>
> From Premier Ferguson it is learned that a resolution will be introduced in the Ontario legislature protesting against the granting to the Georgian Bay Canal Company of any power rights in the Ottawa or French rivers. Such a resolution will have the solid support of public opinion in this province, and it is to be hoped it will be unanimously endorsed by the Legislature.
>
> Let this company go ahead and build the canal if it can raise the money to do it. But the people of Ontario will not tolerate the alienation of any water-powers belonging of right to the province, to any private corporation, to be exploited for private gain, now that the achievements of our hydro system have revealed the value of these public assets.

I must take that statement with a grain of salt. If you travel over the province of Ontario to North Bay and through that northern section of the province you will find that many of these utilities and water-powers, including some rivers attached to lake Nipissing basin, are owned by private interests. If you go to Iroquois Falls, you will find that the same condition exists. You will find that the power in the Abitibi river belongs to the Abitibi company, and if you go to Frederick House you will find these utilities are operated by private interests. If you go still further to Smooth Rock Falls and Jacksonboro, you will find that the same condition exists. The water-powers on the Mattagami river have been sold to private interests, and the same condition exists all through that district, including the Kapuskasing and Ground Hog rivers, where $25,000,000 is being expended under private capital.

I represent one of the largest ridings in Canada, and I believe that ninety per cent of the utilities in that country is actually in the hands of private interests. And how does the system work out? It works out well up there. The natural resources in many cases are sold to private interests and developed, and such developments are a cause of prosperity. Under the hydro commission we are actually paying taxation which we never expected to pay, and which is not logical. I have heard the hon. member saying that people in northern Ontario are against the hydro-electric. I may say that we are in favour of it, but I think the primary development of the Ottawa river is for canalization purposes. I am going to read an article from an independent paper, the Cochrane Northland Post, of March 4, 1927, which says:

> North Bay's pet child, the Georgian bay canal, is once more in the limelight. Bill No. 78 is now before the House of Commons for the purpose of once more renewing the old charter given to the Montreal, Ottawa and Georgian Bay Company.
>
> The north has always backed up North Bay in the attempt to get the canal put through, which would materially assist in the development of northern Ontario, and will continue to stand solidly behind it. We have always felt that probably the same interests which

right from the beginning tried to choke the Transcontinental railway are behind the efforts to kill the Georgian bay canal. One thing is sure, the government will never be permitted to undertake this project as a national work; and unless private interests are given the charter, nothing will come of it. This of course offends the public ownership minds, and the attempt is made to throw out the child with the cradle.

The Toronto Globe on Wednesday comments as follows:

When the charter was granted this company in 1894 Ontario had not entered upon its program for public ownership of water-powers. The project was received with enthusiasm not only in the Ottawa valley and along the French river but throughout the province because of the transportation facilities promised as much as for the prospective power development. Since hydro has demonstrated itself the conditions have changed, and the people are no longer willing to turn over to private ownership hundreds of millions of dollars' worth of natural resources which can and should remain part of the public domain.

The Globe of course has particularly the Carillon power site in mind, the rest of the long stretch of canal (which also abounds in water-powers) runs through sections of the country too remote for the Hydro Electric Commission to touch, owing to the sparsity of population. In fact conditions are about the same as they are here, and yet we have not heard them bewail the fact that our wonderful water-powers all along the Abitibi have just recently been handed over to private corporations.

As we said before, we do not object to the water-powers being given away to private interests as long as the existing municipalities here are sufficiently protected as regards their power uses.

The Globe need not have any fear of seeing the Georgian bay canal constructed to create a short cut between the east and west and leave the matter to private interests, as long as future generations are properly protected as regards power development. As we said before, if we would have to wait for national building of this canal, we are afraid the country will remain undeveloped for generations to come; and after all it is right in the centre of Ontario where these private interests will bring about the transformation from wilderness to settled communities.

That is what we are seeking in our section of the country. We are the connecting link between the east and the west and our position allows us to judge impartially. We want that development. For the last eighteen years the Ontario government has seen fit to sell to the private interests the powers in northern Ontario. Even if we wanted public ownership in our section of the country, it would be an absolute impossibility for the government to enter into the development of that section. In Kapuskasing the development of the land under public ownership was tried, but after hundreds of thousands of dollars had been spent in the development of the land, the result was complete failure. But to-day under private ownership that section of the country is very prosperous.

Then let us take the wonderful districts of south Porcupine, Cobalt, Matheson and Kirkland Lake. These districts never would have been developed without private capital and enterprise. Under the conditions it was the only logical solution of the problem in the north. What would it mean if we now apply the principle of hydro-electric development after private capital has been invested in enormous sums, under many risks, and the initial stages have been passed in opening up the country, and often these utilities will be out of the experimental stage, would it then be fair for the hydro-electric to take them over? After a good deal of money has been spent in those utilities and they are just beginning to put them on a profitable basis would it be fair to take them away from the private interests? We are in favour of the hydro-electric in our section, but our hopes are very remote of ever getting such development. In northern Ontario we are paying taxes on which we never expect to receive any return. I am going to read a brief article from The Nugget of September 24, 1926, which reads:

Cost Million to Give Hydro Power to Ontario Farms

Toronto, Ont., Sept. 24.—(Canadian Press).—The contribution of the Ontario government to the extension of hydro power to the rural districts of Ontario during the fiscal year will approximate $1,000,000 Premier Howard Ferguson estimates. In a statement yesterday the Prime Minister said that three-quarters of this amount had been expended to date in making hydro service available to farming communities of old Ontario. Compared with last year's aid to rural electrical extension, made by the government, this year's expenditure represents an increase of approximately $650,000.

I am going to quote an article from the Canadian Engineer on an address delivered by Mr. R. G. Cook, a member of the Hydro Electric Commission, delivered at Toronto at the occasion of the twenty-fifth convention of the Ontario Good Roads Association, showing subsidies paid the rural sections of southern Ontario, showing again that we cannot expect any hydro developments in the distant or near future; we are nevertheless helping in the construction and maintenance of hydro, in the southern section of the province. He said in part:

The people of the country are isolated but they are doing a work that is absolutely necessary for the prosperity of the country.

It was with this thought in mind that the government of the day, in October, 1923, made the first payment of $425,000 for the construction of rural electric transmission lines in Ontario.

Since that time, new legislation has been passed in 1924 that has practically doubled the government assistance to rural transmission lines. The result has been that it has so stimulated the rural demand for extensions that during the last fiscal year the commission have constructed an average of 2½ miles of transmission line in the rural districts for every day of the year. This has brought about conditions whereby the commission is now operating over 2,000 miles of rural lines and serving 20,000 rural customers. Under that legislation the government of this province are handing over to rural customers in the construction of their rural distribution systems at the present time a free gift of over $2,000,000 and I think, Mr. President, that no better investment has ever been made by any government on behalf of agriculture, because under our system it is so altogether unlike our legislative grants to rural schools or highways—in this respect that it entails no further annual charges upon the government, because the funds for renewals, contingencies, maintenance and sinking funds all form part of the monthly bill to the rural customer, just the same as it does to the urban customer with the result that at the end of the sinking fund period the farmer finds himself the owner not only of a half of the distribution system that he has paid for, but the owner of the other half which the government has presented to him. He also finds himself with sufficient reserve to maintain these things at 100 per cent efficiency.

Further on he says:

It is only fair to say that this ideal condition in Ontario has only been created by the sympathetic coöperation of every party and every class and every group in the House. I question if there is another country in the civilized world where in its legislature every party and every class and every group give such sympathetic consideration to all the problems of rural life.

The northern section of Ontario, which is part and parcel of that wonderful province, endorsed the bond issues of the Ontario Hydro-Electric, and we are also responsible for some of its taxation. I believe it was under the Drury administration that an inquiry was made and it was proved that the province as a whole actually paid $7,000,000 in interest in connection with this enterprise. To-day we are paying in the province of Ontario millions of dollars in the way of subsidies to the farming population, and while we in the northern section never expect to benefit from electrical development and have proved that we are willing and ready to shoulder the responsbilities of the hydro development in the southern section, why should they not be anxious to solve our transportation problem in the way proposed in this bill? Is it not logical under present conditions to ask the support of the southern section of the province for the Georgian bay canal scheme? Surely it is only reasonable to ask hon. members from the southern section of the province at least to allow this bill to go to the committee so that it may be thoroughly discussed. We in northern Ontario sympathize with the needs of the southern portion of the province, but I am bound to say that there does not seem to be on the part of southern members any appreciation of the wonderful heritage we have in the north. Northern Ontario represents 85 per cent of the total area of the province. The other day the hon. member for North York (Mr. Lennox) in reply to a question I asked him, whether he was aware that the Hydro-Electric Commission was not functioning in my section of the country, declared that it was too far north for him to know anything about it. I would quote for the information of the hon. gentleman a statement made by the Hon. Mr. Finlayson whom I met in Cochrane, my home town, a week ago to-night at a banquet tendered the Toronto Board of Trade. He said that in very many instances it had been found difficult to get legislation enacted in the House in Toronto for the development of northern Ontario because of the lack of knowledge of that section of the province displayed by representatives from southern Ontario. The same remark applies to representatives in this House from the southern section of the province. May I take this opportunity of extending to those gentlemen who come from southern Ontario, as well as to hon. gentlemen in other sections of the House, a hearty invitation to visit my part of the country and find out for themselves what a wonderful heritage we have there. If they will come up I can assure them that we will give them the hearty reception which would always be extended to them by the people of northern Ontario—but not modelled after the civic reception committee of the city of Toronto, because in our section of the province we judge a man for his citizenship, not for his political affiliations. They will experience the hospitality of the northern country which is called the spirit of the north, and which, coupled with the spirits controlled by the hon. member for Fort William (Mr. Manion) would make not only a very instructive journey but also a very interesting one. The fact is, we are not known enough. Hon. gentlemen in this House do not sufficiently realize the possibilities of that part of the country. Business men do, but very few politicians in either party, provincial or federal, are aware of conditions there. If hon. gentlemen would come up they would become more familiar with those conditions and they would better understand our problems. An hon. member from Toronto the other day, ridiculing this proposed canal, suggested that more navigable waterways might be found on Mars. Well, it seems to

me that the hon. gentleman knows more about Mars than he does about northern Ontario. I for one have never believed in the wisdom of secession, nor do I think that the people in the part of the country I represent want anything of that kind. I must confess, however, that in my judgment we have not been getting a fair deal. In this very bill it is evident that we are not being fairly treated, for hon. gentlemen opposite seem determined to kill the bill. I do not say that this canal project in its entirety is feasible at the moment, but I do urge that the House allow the bill to go to the committee where the possibilities of the scheme can be thoroughly investigated. The hon. member for Bow River (Mr. Garland) has been quoting expert documents in support of his contention that the building of this canal is impracticable, while other members are equally positive that it is feasible. In face of this conflict of opinion a new member finds it difficult to come to a conclusion. Is this not all the more reason why we should refer the whole matter to the committee in order to have it looked into? As a representative of northern Ontario, realizing the responsibility that rests upon me in a matter of this kind, I am bound to look at the question from the standpoint of the nation as a whole —something that will give northern Ontario a chance of developing. I would not support the contention that this scheme should be considered purely from the point of view of hydro development, if I thought that such development were really possible; but it seems to me that the thing of primary importance to us is the construction of the canal. If we were considering the question of a partnership between the provinces of Ontario and Quebec, with the federal government constructing the Georgian bay canal and the two provinces in question developing the surplus power, that would be quite satisfactory. But where it is a matter of linking up east and west the question of chief importance is one of transportation. Southern and northern Ontario are both parts of one province and the problems of one section are naturally of concern to the other, they should not be burning in one section of the province, what they worship in the other. I do not say that hon. members from southern Ontario are necessarily opposed to our interest, but I do say that they should not object to this bill being referred to the committee. There are good things to be said for hydro development, but we must consider Canada as a whole before any particular section of Ontario. And although I have no technical knowledge of canals, I have no doubt of the future possibilities of this proposed waterway for the development of the country at large.

I have not much more to say. I again tender an invitation to hon. members from north and south, on both sides of the House, to come to our section of the country and especially to the riding which I represent and which was represented in 1914 by the Hon. Mr. Cochrane. What was then the original riding is now divided into three sections federally and my own riding is now divided into two sections provincially, and in the very near future, new ridings will also be formed federally in that section of northern Ontario. I want the House to realize that the coming part of the country is northern Ontario; it would be time well spent if every member of the House came to our section and studied our problems. I was pained and grieved to see the sectionalism which has been displayed by some members of the House in discussing this matter; they have what amounts to a parochial viewpoint, and do not consider the province of Ontario as a whole in the study of this question.

I might just make a brief allusion to the fact that my home town of Cochrane has been brought into this discussion; I think one of the members for Toronto said that a delegation had been sent to Premier Ferguson and that that was done because of some grievances against some private interests in that town. Let me give a history of the case. In 1909, when the town of Cochrane received its charter, the government promised that our water rights at the Long Sault, thirty-five miles from the town, would be protected and developed. Again in 1911 and in 1914 Hon. Frank Cochrane repeated that statement, but for some reason or other the government sold the power to the Hollinger interests, who developed them, and they were then bought by the Abitibi people, and Cochrane is now getting its power from that company. Following the promise of the government that our water rights would be protected we asked for the services of a hydro engineer, who made a report that we should not pay more than $35 per horse-power for that electricity. That recommendation was submitted to the provincial government, through the premier, and we expected they would act upon it, but it was absolutely ignored. We are not protesting to-day against development by private interests, but we are protesting against the fact that the provincial government has not seen fit to protect the town of Cochrane, following the report of one of the government officials.

It was also mentioned by an hon. member opposite that the Temiskaming and Northern Ontario railway could not inaugurate electrical service on their line. I have enough confi-

dence in the Temiskaming and Northern Ontario Commission to believe that that railway will reach its natural terminal at James bay, that they will see their way to electrify that road with powers developed from the Moose river basin. I say now that if that railway wants to electrify its line, we still have some water-powers left with which that can be done. We in this section of the country represent almost a quarter of a million people. We are a growing section, we are the connecting link between the east and the west. In the past our voice has not been heard, but I believe that in the future our situation and problems will be studied and given careful consideration. In the matter under discussion all we ask is that we be given the opportunity to discuss it in all its details in a standing committee of this House. We are all interested in this question and believe that such a development would work for the advancement and development of Ontario and of Canada as a whole.

On motion of Mr. Bennett the debate was adjourned.

PRIVATE BILLS

SECOND READINGS

Bill No. 117, respecting a patent owned by The John E. Russell Company, Limited.—Mr. Chevrier.

Bill No. 118, respecting certain patents of James McCutcheon Coleman.—Mr. Jacobs.

Bill No. 148, respecting a certain patent owned by Chester Earl Gray and Aage Jensen. —Mr. Jacobs.

Bill No. 154, to incorporate "North American Relations Foundation."—Mr. Jacobs.

Bill No. 155, respecting Commercial Travellers Mutual Insurance Society.—Mr. Anderson (Toronto).

Bill No. 156, for the relief of Dorothy Helen Murray. Mr. Spence (Parkdale).

Bill No. 157, for the relief of Lotta Maria McGregor.—Mr. Spence (Parkdale).

Bill No. 158, for the relief of Harriett Louisa May MacCarthy.—Mr. Garland (Carleton).

Bill No. 159, for the relief of Adelaide Mildred Maguire.—Mr. Geary.

Bill No. 160, for the relief of Dmytro Pushkedra.—Mr. Luchkovich.

Bill No. 161, for the relief of Muriel Helen Louise Dunn.—Mr. Casselman.

Bill No. 162, for the relief of William Henry Poultney.—Mr. Church.

Bill No. 163, for the relief of Cecil Chester Richardson.—Mr. Arthurs.

Bill No. 164, for the relief of Bertha Amelia Bertelet.—Mr. Hocken.

[Mr. Bradette.]

Bill No. 165, for the relief of James Edward Barnaby.—Mr. Garland (Carleton).

Bill No. 166, for the relief of Evelyn May Bateman.—Mr. Edwards (Ottawa).

Bill No. 167, for the relief of Fannie Louise Dance.—Mr. Jacobs.

Bill No. 168, for the relief of Sarah Simpson. —Mr. Jacobs.

Bill No. 169, for the relief of Percy Compton.—Mr. Anderson (Toronto).

Bill No. 170, for the relief of Hazel Green Anderson.—Mr. McMillan.

Bill No. 174, to incorporate the Red Lake and Northwestern Railway Company.—Mr. Lapierre.

FURTHER SUPPLEMENTARY ESTIMATES FOR 1926-1927

A message from His Excellency the Governor General, transmitting further supplementary estimates for the year ending March 31, 1927, was presented by the Hon. J. A. Robb (Minister of Finance), read by Mr. Speaker to the House, and referred to the committee of supply.

On motion of Mr. Mackenzie King the House adjourned at 10.33 p.m.

Tuesday, March 22, 1927

The House met at three o'clock.

PETITIONS

Mr. E. A. PECK (Peterborough): Mr. Speaker, I beg to present a resolution—

Mr. SPEAKER: This is not in order; only petitions may be presented in this way.

Mr. PECK: This is in the nature of a petition.

Mr. SPEAKER: If it is a resolution it cannot be received.

Mr. PECK: I accept your ruling, Mr. Speaker, but several of these resolutions have already been presented to the House, and I would like the opportunity of presenting this resolution.

Mr. SPEAKER: When these resolutions were presented the other day I notified hon. members that they should be regularly presented in future. However, I think the House would not object if the hon. gentleman tabled his resolution.

Mr. PECK: May I be permitted to lay it on the table?

Mr. SPEAKER: Yes.

ALLIED INDIAN TRIBES OF BRITISH COLUMBIA

Mr. F. W. HAY (North Perth) presented the first report of the special committee to

inquire into the claims of the Allied Indian Tribes of British Columbia.

Mr. HAY moved:

That the first report of the select standing committee to inquire into the claims of the Allied Indian Tribes of British Columbia be now concurred in.

Mr. SPEAKER: Since notice has not been given, this will serve as a notice of motion.

CIVIL SERVICE—SUPERANNUATION

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Yesterday the hon. member for New Westminster (Mr. McQuarrie) asked me a question with regard to an alleged promise made by myself with respect to the Superannuation Act as affecting the civil servants. I have looked up the matter and find that a promise was given. I can assure my hon. friend that it will be carried out this session.

CANADIAN NATIONAL RAILWAYS

EXTENSION OF TIME FOR CONSTRUCTION OF BRANCH LINE

Hon. CHARLES A. DUNNING (Minister of Railways) moved that the House go into committee to consider the following proposed amendment:

Resolved, that it is expedient to extend the time for two years for the completion of the joint section of the Canadian National railway branch line from Rosedale southeasterly, in the province of Alberta, authorized by chapter 30 of the statutes of 1924.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: Has any work been done on this line as yet?

Mr. DUNNING: No work has been done. The original arrangement was for the construction of a joint section, dependent of course upon an agreement being reached between both railway companies with regard to its construction. That agreement has not yet been signed, but I am informed that negotiations are nearing completion with respect to the terms of the agreement. If the House would pass the resolution and permit the introduction of the bill it could then be sent to the railway committee with the other branch line bills, where further details could be given if required by any members of the House.

Resolution reported, read the second time and concurred in. Mr. Dunning thereupon moved for leave to introduce Bill No. 178, to amend an act respecting the construction of a Canadian National Railway line being a joint section from Rosedale southeasterly, in the province of Alberta.

Motion agreed to and bill read the first and second time and referred to the select standing committee on railways, canals and telegraph lines.

CANADIAN NATIONAL RAILWAYS ACT, 1919, AMENDMENT

CONTROL OF STANDARDS OF MAINTENANCE VESTED IN RAILWAY COMMISSION

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved the second reading of Bill No. 176, to amend the Canadian National Railways Act, 1919.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Application of the Railway Act to Canadian government railways.

Mr. GUTHRIE: The minister might explain. This particular provision, if I understand it aright, is to place the Canadian government railways on the same plane as the other railways in respect to their employees.

Mr. DUNNING: Under the present Canadian Government Railways Act control of the standards of maintenance is not vested in the Board of Railway Commissioners but is vested in the minister. With respect to the whole of the rest of the Canadian government railway system, the Board of Railway Commissioners have control over the standards of maintenance. After going into the matter very thoroughly it is thought desirable to give the board jurisdiction over the former government railways as over the rest of the system. That is the whole import of the amendment.

Mr. GUTHRIE: I suppose there has been no objection on the part of any of the employees to the proposition?

Mr. DUNNING: No. The fact is that the employees' organizations have for a number of years been pressing that this be done.

Section agreed to.

Bill reported, read the third time and passed.

RULES OF THE HOUSE

CONSIDERATION OF REPORT OF SPECIAL COMMITTEE

The House resumed from Friday, March 18, consideration in committee of the report

of the special committee appointed to revise the rules of the House of Commons—Mr. Johnston in the chair.

The CHAIRMAN: When the committee rose on Friday evening we were considering a new rule to be added after rule 21. This will be found at the bottom of page 12. To the proposed new rule the hon. member for Nelson (Mr. Bird) had moved an amendment to the following effect:

That the words "the leader of the opposition" in the first and second lines be deleted and the following words substituted therefor: "leaders of opposition groups".

The question is on the amendment.

Amendment (Mr. Bird) negatived.

The CHAIRMAN: Shall the new rule be added after rule 21?

Some hon. MEMBERS: Yes.

Mr. NEILL: No.

Mr. POULIOT: There was a subamendment which has not been read.

The CHAIRMAN: On Friday evening Mr. Pouliot moved:

That the new rule to be added after rule 21 as amended be replaced by the paragraph:
"No speech delivered in the House of Commons shall be recorded in Hansard."

I do not think this can be accepted as an amendment.

Mr. LAPOINTE: It has no reference to this rule.

Mr. GARLAND (Bow River): Would it be proper to suggest as an amendment that the hon. member's speeches be not recorded in Hansard?

New rule 21 agreed to on division: Yeas: 115; Nays: 20.

On amended rule 23—Decorum in the House.

Mr. McLEAN (Melfort): Sub-section 2 reads:

When the Speaker is putting a question, no member shall walk out of or across the House, or make any noise or disturbance.

This does not refer to any member coming into the House, which evidently may be done while the Speaker is putting the question.

Mr. SPEAKER: Until the question is fully put by the Speaker, any member may enter the House; until then, he is in time. After the question has been put by the Speaker no one may come in and claim the right to vote.

Mr. GARLAND (Bow River): If that is the case why should it not be permissible for

[Mr. Dunning.]

a member to walk out of the House before the question is fully put? The alternative should be allowable if we are to be perfectly logical.

Mr. LAPOINTE: We are keeping the old rule in that regard.

Amended rule agreed to.

Amended rules 25, 37, 39, 40, 41, 45, and 64, and repeal of rule 50 agreed to.

On amended rule 65—Duties of Sergeant-at-Arms.

Mr. McLEAN (Melfort): There is a duplication in language, as well as a conflict, as between sub-section 1 and sub-section 3. Sub-section 1 reads:

The Sergeant-at-Arms attending this House is responsible for the safe keeping of the mace, furniture and fittings thereof.

This language is ambiguous but I presume that "furniture and fittings thereof" refers to the House. Sub-section 3 then provides that the Sergeant-at-Arms shall be responsible for "the movable property belonging to the House." This is a duplication which may easily be avoided. It should not be difficult to amend the rule.

Mr. SPEAKER: I may explain for the information of the hon. member that the Sergeant-at-Arms officially takes care of the mace. As regards the furniture and fittings of the House, they are the property of the Public Works department and are confided to the charge of the Sergeant-at-Arms for safe keeping. Whenever a member requires a desk or any other article of furniture in his room, he makes application to the Sergeant-at-Arms and the requisition is filled by the Public Works department.

Mr. McLEAN (Melfort): I have no objection to the rule; I am merely pointing out the ambiguity of the language as it stands. In sub-section 1 the wording is not clear and in sub-section 3 there is a duplication of what is already stated in the previous paragraph.

Mr. SPEAKER: This was copied from the rules of the British House of Commons. It specifies the duties of the Sergeant-at-Arms, who is responsible to the Public Works department for the movable property. I do not think that the repetition is necessarily superfluous.

Mr. McLEAN (Melfort): I would take it that the words in the first section of this rule. "furniture and fittings thereof" refer to the mace.

Mr. SPEAKER: To the furniture and fittings of the House, I think.

Mr. SPENCE (Parkdale): Why not change the word "thereof" to "of the House"?

Mr. POULIOT: Do I understand that the furniture in the members' rooms is entrusted to the care of the Sergeant-at-Arms, and not to the members?

Mr. SPEAKER: The Sergeant-at-Arms is responsible for the safekeeping of the furniture of the chamber and the whole House of Commons. The furniture is ordered upon requisition through the Public Works department, and is supplied by that department.

Mr. MARCIL: I move to strike out the word "thereof" in the last line of section 1, and to substitute therefor the words "of the House."

Amendment agreed to.

Mr. MERCIER (Laurier-Outremont): Why not say, "furniture, fittings and movable property of the House"? I think that would meet the objection that has been raised.

Mr. SPEAKER: In order not to use the word "House" so many times, I would delete the words in the first line "attending this House."

The CHAIRMAN: There have been a number of suggestions made to amend this section. Is it the committee's wish that it should read:

The Sergeant at Arms is responsible for the safe-keeping of the mace, and of the furniture and fittings of the House.

Is it the pleasure of the committee to adopt the subsection as I have read it?

Subsection as amended agreed to.

On subsection 2 of amended rule 65—Sergeant-at-Arms.

Mr. NEILL: I would like some explanation of this. It says:

No stranger who has been committed, by order of the House, to the custody of the Sergeant-at-Arms, shall be released from such custody until he has paid a fee of four dollars to the Sergeant-at-Arms.

What is the sense of that? What happens if he does not pay the four dollars? Has the Sergeant-at-Arms to keep him permanently?

Mr. JACOBS: Might I suggest that we are building a state tower for the purpose of keeping him there till he pays the four dollars?

Mr. SPEAKER: It is an old tradition in England, as old as the hills, that when a stranger is committed to the tower, or as in our case, to the common gaol, he may not be released until he has paid the traditional fee of four dollars; I suppose in England it would be one pound.

Mr. LAPOINTE: I think it is cheap.

Mr. SPEAKER: I remember we had a case of a man appearing before the bar of the House, Mr. Miller, and refusing to answer. He was committed to the custody of the Sergeant-at-Arms and sent to gaol, and he remained there during the remainder of the session.

Mr. JACOBS: I should like to have Your Honour's view as to what becomes of that four dollars? Does it go to the consolidated revenue fund or into the pocket of the Sergeant-at-Arms?

Mr. SPEAKER: It remains with the Sergeant-at-Arms, and he deserves it.

Mr. LAPOINTE: That is why we do not increase his salary.

Mr. JACOBS: The Speaker says that this rule is as old as the hills, but now that we are changing the rules why not change this one, to make the punishment fit the crime? This reduces the parliament of Canada to the level of a recorder's court. I think the stranger who is committed should pay a substantial fine, or else apologize to the Sergeant-at-Arms. I am not in favour of any four dollar fines in the House of parliament.

Subsection 2 agreed to.

Subsections 3, 4 and 5 agreed to.

Amended rule agreed to.

On amended rule 69.—Withdrawal of members in certain cases.

Mr. YOUNG (Saskatoon): It says in the third line "he shall make a statement." Is a member obliged to make a statement if he does not wish to?

Mr. LAPOINTE: No. I think it would be better to say, "he may make a statement and shall then withdraw." I move accordingly, Mr. Chairman.

Amendment agreed to.

Mr. BANCROFT: I would suggest that you leave out the word "then", seeing that we have already changed "shall" to "may".

Mr. LAPOINTE: That is all right.

Amendment agreed to.

Rule as amended agreed to.

Rule 75 (Sec. 2) agreed to.

On amended rule 76.—Committees of supply and ways and means.

Mr. COOTE: Might I ask whether the committee discussed the matter of referring

the estimates to a special committee? I remember that two years ago there was a motion introduced into the House asking that the estimates be referred to a select committee, and this resolution was referred to the special committee that was then engaged in revising the rules. I was wondering if this year's committee had discussed that matter at all.

Mr. SPEAKER: Personally I am strongly in favour of the reference of the estimates of the various departments to a grand committee, composed of as many members as possible, before which all the experts, engineers, accountants, and other officials whose evidence might be required could be called and examined. When I was sitting on the other side of the House, in 1920 or 1921, I moved a resolution which was discussed for a whole afternoon by this House, and during the debate I referred to the fact that both in Great Britain and in the United States during the war a grand committee had been established for the purpose of sifting to the bottom all the expenditures involved by the participation of those two great countries in the war. It has been proven both in Great Britain and the United States that very large sums of money running up into millions and millions of dollars have been saved by the work of these committees. The committee in Great Britain reports to the House of Commons, which also resolves itself into committee of supply for the consideration of the estimates, but as every detail has previously been threshed out in the grand committee, and perhaps several items condemned, so to speak, the work of the committee of the whole House is very much shortened, in addition to the saving that is made by the careful scrutiny of proposed expenditures in the grand committee. But when I proposed to the committee revising the rules that they might adopt that principle, it was thought that perhaps it was too radical a change and that the House might not be ready to agree to it. I can assure the hon. member from Macleod that the proposal he makes will have my hearty support. Both in the United States and Great Britain during the war they had grand committees to which were referred all heavy expenditures, but it is true that those committees do not exist any more. I remember immediately after the war the United States official, General Dawes now vice-president, enumerated the vast sums of money they had saved to the American republic by that method. But it was thought that here it was too radical a step to take and that perhaps we might wait until another opportunity presented itself before introducing that new system. If ever adopted we would have before that committee experts, accountants, engineers. Every detail would be explained and the report would be presented to the House. This committee would certainly be in earnest and non-partisan, and if the feeling was against a certain item that item would not be presented to the House.

Mr. ARTHURS: One point in connection with the procedure before that committee is that under our present system all debates on ways and means and debates in committee of the whole are reported in Hansard. Under the proposed rules, and under the rules in the United States during the war, or the rule suggested by my hon. friend to my left, there would be no verbatim reports of the proceedings of that committee.

Sir EUGENE FISET: During the war I had some experience with the war appropriations. This question was discussed in the House of Commons, and it was decided that these sums would be voted under the title of war appropriations; detailed explanations of every item of the vote were printed and distributed to members of the House. The matter was discussed in committee of the whole. I think the suggestion of the Speaker impracticable, because if you are going to submit to a special committee of the House every item of the estimates of every department I do not know when you will end the session.

Mr. COOTE: I think while the rules are being revised we should very carefully consider this matter. I think one of the reasons why we are revising the rules is to save time. Surely we could save a great deal of time if the estimates were referred to a committee. I would not suggest that we should have one committee only, but I think the estimates should be sent to four or five select committees of the House. At present we have a special committee to deal with the Canadian National estimates. I think nearly all hon. members will agree that is a great improvement over the old method of dealing with the estimates in committee of the whole House. If we send the estimates of the Canadian National railways to a special committee appointed to consider them, why not send the estimates of the Department of Agriculture to the committee on agriculture, and why not send all the other railway estimates to the special committee dealing with the Canadian National railway estimates? It would be very easy to divide all the other estimates among the different standing committees of

the House, allotting the estimates of each department to the committee dealing with that department. The reports of these committees would come before the House and be considered in committee of the whole House, and any hon. member who wanted to say something about them would have a chance. In that way I think we could shorten the session a month. Anybody who will read Hansard for the last four or five years will see that most of the time has been taken up with estimates. Hon. members wish to shorten the session, and I think we could achieve that object by adopting my suggestion more than in any other way. Before this committee which is revising the rules is disbanded, it should be asked to go into that matter and ascertain if we could not adopt that suggestion at the present time, and next session we could have the estimates referred to the select committee.

Mr. GARLAND (Bow River): I entirely support the suggestion of the hon. member for Macleod, and the suggestion of His Honour, the Speaker. I think there is nothing more aggravating or irritating, and nothing causes more delay than the practice of having ministers come into the chamber with a deputy in front of them, endeavouring to make explanations of subjects on which they are not informed and cannot be informed. I am not blaming the ministers. I understand their difficulties. Having to meet every day in council, they have not time to study the estimates or become acquainted with the details in connection with them. They have before them a very brief description of the particular matter that may be under consideration at the moment, and as to the reason it is necessary, but when we come to the engineering end of it, or the justifiability of it, we have not the information and cannot obtain it because of the method of handling the estimates. It is the most stupid and foolish method of spending the public money, and I think my hon. friend's suggestion one that we might wisely adopt.

I submit that the point brought forward by my hon. friend from Rimouski (Sir Eugene Fiset) was not well taken, because I did not understand the suggestion made by the hon. the Speaker, nor the suggestion made by the hon. member for Macleod to be that there should be a printed explanation of the estimates in detail handed to every hon. member. I entirely agree that such a proposition would be impracticable and ridiculous. It would involve volumes of printing, but the other suggestion is a practical one. Let us refer the estimates to the several committees, as we are doing in the case of the Canadian National, or refer them to a special standing committee as suggested by the hon. member for Macleod. It would be a great improvement, and we could go back feeling satisfied with the manner in which we had dealt with this question. I think nobody can go home now feeling that this matter has been dealt with satisfactorily.

Mr. McGIBBON: I think I will have to come to the rescue of the government.

Mr. LAPOINTE: We are not interested any more than other members.

Mr. McGIBBON: My hon. friends are running the government. I do not see how any self-respecting minister can recommend to this House estimates, previously recommended by the cabinet, and then have them torn to pieces by special committees. The thing is absolutely absurd. I would not remain on the government benches five minutes if some committee of the House, having no responsibility at all, could tell me what I could do or what I could not do. We must have some respect for the minister and he must have some responsibility. It is absurd to tell a minister after he has brought down his estimates, and after they have been submitted to the committee, that he cannot spend this money. I do not think you could get any self-respecting government to permit themselves to be placed in that position.

Mr. IRVINE: I do not think we are discussing this case from the viewpoint of the ministers. I have no doubt that they know all about their departments and what the estimates are for; but we do not. I have observed that the hon. member for Muskoka (Mr. McGibbon) and his associates ask a great many questions in supply—many of them perhaps are not of much consequence. While the estimates are under consideration a good deal of political campaigning takes place, and we ask questions which perhaps should not be answered at all. The time of the House is wasted more in that respect than in connection with any other business. Surely we should now refer this question back to the special committee while we deal with the rest of the rules, so that they may draft a rule that will enable us to handle the estimates more efficiently and save the time of the House. The suggestion of the hon. member for Macleod (Mr. Coote) would certainly have this effect, for if members want information on any items they could secure it before the various committees to which those items had been referred. If we were to adopt the suggestion of the hon. member for

Muskoka there would be no use in bringing the estimates before the House at all. It is suggested that we let the cabinet deal with the estimates; but if there is to be any inquiry as to the particular items, that inquiry should take place in a small committee. I therefore suggest that His Honour the Speaker place this rule before the committee for amendment.

Some hon. MEMBERS: Carried.

Mr. IRVINE: Don't be in such a hurry to carry things until we know what we are actually carrying.

Mr. LAPOINTE: May I say to my hon. friend that this would involve more than a mere change in procedure? It would affect the principle of the discussion of the estimates in the House when every member is present to scrutinize the expenditure of public money. The question was deemed so important by the hon. member for Athabasca (Mr. Kellner) that he has a resolution on the order paper proposing a reference of the estimates to select committees and I think it should be discussed by the House in the usual way.

Mr. GARLAND (Bow River): Mr. Chairman, I think the suggestion of the hon. Minister of Justice (Mr. Lapointe) is a very good one. I would, however, ask him in view of that suggestion if he would assure the hon. member for Athabasca an opportunity for the discussion of his resolution; otherwise the danger is that private member's days may be closed off suddenly and we will find ourselves unable to discuss it. Will the minister give us any assurance so that we may rely upon having such an opportunity?

Mr. LAPOINTE: My hon. friend is assuming that I have much more authority than I really have. The House is master of its own proceedings.

Mr. GARLAND (Bow River): No, I do not think so. In this case also very often ministerial advice will be accepted, especially when so wisely counselled. I am quite sure the Minister of Justice is too modest, and I am satisfied that if he consults his colleagues, especially the one to his right (Mr. Elliott) there will be no trouble.

Mr. LAPOINTE: He is so kind hearted.

Mr. GARLAND (Bow River): I am sure if he will consult his colleagues there will be no difficulty in securing an opportunity for discussion of my hon. friend's resolution. Otherwise the minister may himself be prolonging debate on this question. Frankly, I am perfectly willing to let it drop if he will grant us a day for discussion of the resolution to which I have referred.

Mr. LAPOINTE: I will submit my hon. friend's request to the Prime Minister, but I may tell him that there are many private members asking for the same favour for their resolutions, which makes it rather difficult to give a pledge of this kind.

Mr. GARLAND (Bow River): It simply arose out of the minister's own suggestion.

Mr. LAPOINTE: I will plead my hon. friend's case the best I can.

Mr. IRVINE: The Minister of Justice intimated that some principle was involved, but he did not specify it.

Mr. LAPOINTE: Everyone understood, I think, even my hon. friend.

Mr. IRVINE: I beg the minister's pardon?

Mr. LAPOINTE: The principle involved is that of having the expenditure of money scrutinized in the House by all the members.

Mr. IRVINE: Surely that principle is safeguarded when all the estimates come back to the House eventually.

Mr. SPENCE (Parkdale): I do not think a proposal of this kind would shorten sessions. Imagine, if you can, all the estimates going to the different committees, with your experts in attendance. The result will be that we shall have these committees so busy that they will be asking for permission to sit while the House is in session. We want to be familiar with the estimates of every department, and we would not be under this proposal. For instance, I am a member of the agricultural committee and the private bills committee, and I would know nothing about any other departments. I do not propose to be a member of this House without having some knowledge of what is going on in every department.

Some hon. MEMBERS: That is right.

Mr. COOTE: I think I had ample justification for raising this question because two years ago I introduced a resolution asking that such a change be made. That resolution received some support, and the House decided to refer it to the special committee then revising the rules. The statement made by the hon. member for Muskoka I consider astounding: that estimates having passed the cabinet —and I am a little surprised that he has so much confidence in that body—

Mr. LAPOINTE: Why should you be?

Mr. COOTE: —they should not be questioned by a select committee of this House. Estimates for the National railways, which surely must receive very careful consideration by the cabinet, are now subject to review by a select committee of this House. What difference in principle is there if we do the same thing with all the estimates? I think it is time that the commoners devoted more attention to a scrutiny of the estimates. Anyone who has studied English history knows that the House of Commons came into existence simply because the king wanted money. That is all the Commons are required for. I am certain if this government did not need us to vote money they would not call us here at all. I think that is the attitude of governments towards members of parliament. Surely we should give very careful consideration before we vote money. I agree with my friend from Bow River and I challenge any member to say that we give the right kind of consideration to public expenditure under the present procedure. When we try to get information from the deputy minister—who after all, is running the department, we have to get that information through the minister. The deputy sits in front of him but is not allowed to say anything. When a question is asked the minister leans over to the deputy, gets his answer in a whisper, and then repeats it to us. When an embarrassing question is put the minister simply waits until another member asks a question and then answers him, and very often it is almost impossible to get the information wanted. Surely it is the part of common sense to have the estimates considered by a select committee where the deputy minister and, if necessary, some other man in his department could be put on the witness stand and state what the money was needed for.

Amended rule agreed to.

On rule 79—Double elections.

The CHAIRMAN: The committee recommends that rule 79 be struck out.

Mr. LAPOINTE: It is no longer necessary.

Rule struck out.

New rule—Private members' notices of motions.

Mr. NEILL: I notice this rule as amended is substantially different from the same rule as amended last year. The object of this amended rule is to do away with the practice of members loading up the order paper with resolutions during the recess. Then when we come down here we find perhaps thirty or forty resolutions which have been placed on the order paper during the recess; I think in one case I counted as many as fifteen resolutions in the name of one private member. The object of the former committee was to try and get away from that; that object was attained in some measure, but subsection 4 of the proposed amendment of last year has been left out. That subsection provided that if notice of certain resolutions were given during the recess, these should not be placed on the order paper in the order in which they were received but that they should be retained by the clerk and on the opening day of the session the right of precedence should be determined by ballot. According to this new rule, a member may only have one resolution on the order paper at one time, and it is suggested that this will do away with this abuse. That will not be the case, because a member may put down a resolution in his own name and then put the other fourteen resolutions in the names of his friends in the House, which will load up the order paper just the same. We are always in the habit of running to the English parliament for precedents, and I might say that in that House the ballot system is followed. I do not know why that was left out of the amended rule, because it seems to me it would cover the whole situation.

Mr. ROSS (Moose Jaw): There is another portion of this new rule to which I would like to refer. Supposing a private member has a motion on the order paper and it is called on a Wednesday close to six o'clock; he would not be given sufficient time for a proper discussion of his motion. It is not proceeded with; it may be called a second time on another Wednesday shortly before six o'clock, and if it is not proceeded with then it goes off the order paper altogether, and to a certain extent advantage might be taken of a procedure of that kind. I think there should be some safeguard for the motions of private members in regard to Wednesdays.

Sir GEORGE PERLEY: May I call the hon. gentleman's attention to the fact that under subsection 1 the motion can be reinstated; that would permit it to be called three times, and it is hardly likely that each time would be late on a Wednesday afternoon.

Mr. ROSS (Moose Jaw): That is true, but it would go to the bottom of the list.

Sir GEORGE PERLEY: It goes to the foot of the list, but it may be restored.

Mr. McLEAN (Melfort): I would point out to the hon. member for Argenteuil (Sir George Perley) that the new rule says "If the notice of motion thus restored . . . ." That is, thus restored to the foot of the list.

Sir GEORGE PERLEY: That is quite true, but as a matter of fact under this rule the list will never be very long.

Mr. ROSS (Moose Jaw): There could be 244 motions on it.

Mr. COOTE: I think a notice called or under discussion at six o'clock on Wednesday should take precedence on the following Monday; the rule should be amended to provide for that, this would be fair to everyone. It has happened on Wednesdays that the whole order paper has been gone through because no member was willing to go on and have his resolution talked out at six o'clock. I think it would greatly improve the rules if they were changed to allow a resolution under discussion at six o'clock on Wednesday to come up first on Monday.

Mr. JACOBS: What are you going to do with awkward resolutions about which the government do not want to do anything? The government must be protected in some way.

Mr. COOTE: Such resolutions could be disposed of in the usual way; someone could move the adjournment of the debate.

Mr. NEILL: I would like an answer to my suggestion.

Mr. LAPOINTE: I was not in the committee when this rule was adopted, but as I said before everything was fully considered and weighed and I really think we should adopt the rules as approved by the committee. As the hon. member for Argenteuil (Sir George Perley) pointed out, there will be fewer motions on the order paper when each member will be limited to one at any one time. The hon. member for Macleod (Mr. Coote) suggests that it would be fair to all members if a motion not disposed of on Wednesday evening should take precedence on Monday, but as my hon. friend knows this House has 245 members, and they each have equal rights. I think this suggestion would rather work for the benefit and advantage of all members, in providing that one member should not take up two days with his motion while others are kept waiting until that motion is disposed of.

Mr. COOTE: It is only in an endeavour to get equal rights for every member that I suggest this amendment. If one member has his motion discussed all day Monday and another member can only get from five to six o'clock on Wednesday surely that is not fair, and it is with a desire to avoid that particular situation that I suggest that any resolution not disposed of at six o'clock on Wednesday should be first on the order paper on Monday.

Mr. NEILL: The argument that the matter has been considered by a committee and that we should therefore accept it blind, applies equally to the report received last year, which provided a very different thing. It seems to me we are perpetuating the very evil we seek to dispose of that of members loading up the order paper either personally or vicariously during the recess. Is it reasonable that a member should be allowed to place a motion on the order paper in August which will not be discussed until March to the prejudice of hon. members coming down here with a resolution with which they desire to proceed? The former committee prevented that by establishing the ballot system, which seems to me to be the fair way.

Mr. MANION: Is not that prevented by the fact that a member can only have one resolution on the order paper at any one time?

Mr. NEILL: No, because the member will put on a resolution in his own name and will put on other resolutions in the names of his friends.

Mr. POWER: I am inclined to agree with the hon. member for Moose Jaw (Mr. Ross) with regard to the situation which will be created if this rule is carried. Undoubtedly if the government do not wish a certain resolution to be proceeded with they can so manoeuvre matters that it will be called twice on a Wednesday. If the resolution is of some public importance and if the member sincerely wishes to have an expression of opinion from the different quarters of the House and the different members of the House, in that way he will be prevented from doing so. He will naturally ask that his resolution stand over until Monday, when several hours may be devoted to it. I remember a year or so ago a resolution was placed on the order paper by Right Hon. Arthur Meighen, in which was embodied the entire policy of the Tory party. That resolution was called three or four times on a Wednesday, and Mr. Meighen very properly

refused to proceed with it. In several other instances the same thing has occurred. This year I have on the order paper what I consider to be a very important resolution, asking for the abolition of the Civil Service Commission, which is a question in which many members of this House are interested. Some are bitterly opposed to the Civil Service Commission. Others think that the Civil Service Commission is probably the greatest institution which has visited earth since Moses received the ten commandments. I should like to hear this matter discussed, and the constituents of a number of hon. gentlemen would also like to hear their views on this question. On the last two or three Mondays—the last three, I think—I have been unable to proceed owing to the debate on this very important matter of the Georgian bay canal. To-morrow probably, or perhaps on another Wednesday, this resolution may be called.

Mr. HEAPS: Why do you not take it up on a Wednesday?

Mr. POWER: Because I do not wish to have the resolution discussed on a Wednesday. I should like to have my hon. friend's opinion on this matter. I should like to have the opinions of hon. gentlemen who sit with him, and particularly, I should like to have, if possible, the opinion of some of the members of the government, but if the resolution is brought up on a Wednesday perhaps they will not give me their views on the question.

Mr STEVENS: Is this filibustering?

Mr. POWER: This is only by way of illustrating the injustice which will be committed towards the country and to a member. I think the rule ought to be changed to read, "when a private member's notice of motion shall have been called twice on a Monday." I would therefore move, seconded by Mr. St-Père:

That the words "on a Monday" be added after the word "twice" in the second line of paragraph 1.

Mr. McLEAN (Melfort): Before the amendment is voted on I should like to ask what is the meaning of "on a Monday," whether it means twice on one single Monday or twice on two successive Mondays.

Mr. RINFRET: It cannot be called twice on the same day.

Mr. McLEAN (Melfort): I am dealing with the language as it is. It is proposed that a notice of motion shall be called twice on a Monday. I would suggest to the mover of the amendment that he might make that matter clear, and consider also mentioning the hour on a Monday. Calling the motion after five minutes to eleven on Monday evening would not help very much.

Mr. STEVENS: The member will have to take his chances on that.

Amendment (Mr. Power) negatived.

New rule as to private members' notices of motions agreed to.

New rule as to amendments on motion to leave the chair agreed to.

On amended rule 88—Time limited for receiving petitions for private bills.

Sir GEORGE PERLEY: I may say for the information of hon. members that these new rules regarding private business, upon the consideration of which we are about to enter, were prepared by the officers of the House after a great deal of care and attention. From their experience in years gone by they should understand very well what changes are necessary in order to expedite the business of the House and make matters move more smoothly.

Mr. SPEAKER: All these rules which we are about to consider are of a purely technical character. The task of preparing and amending them was confided to an expert officer of the House, Mr. Todd, who has been in the public service for fifty years. Such little changes as he recommends are changes which he thought should have been brought about long ago. As I have already said, they are purely technical in their nature, and were taken as read when they were brought back to the committee.

Amended rule 88 agreed to.

On amended rule 89 (1)—Time limited for deposit.

Mr. McLEAN (Melfort): It is provided here that:

Any person desiring to obtain any private bill shall deposit with the Clerk of the House not later than the first day of each session, a copy of such bill in the English and French languages, with a sum sufficient to pay for translating and printing the same.

For information, Mr. Chairman, I should like to ask into what languages these bills are to be translated?

Mr. LAPOINTE: The wording should be "English or French language." I move that the word "and" be replaced by the word "or" in the fourth line.

Mr. McLEAN (Melfort): Will there be any charge for translating if the bill is deposited in both languages?

Mr. STEVENS: An official translator attends to that.

Mr. LAPOINTE: We have to have an official translator.

Amendment agreed to.

Amended rule 89 (1) as further amended, agreed to.

Amended rule 89 (3) (b); amended rule 89 (new subsection 5 (a)); amended rule 89 (proposed subsection 9); new rule 90; amended rule 91 (1); rule 91 (a) 3; rule 91 (b) 1; amended rule 91 (b) 2; amended rule 91 (c) 1; amended rule 91 (c) 2 agreed to.

Amended rule 91 (d)—recommendation that rule be struck out agreed to.

Rule 91 (e)—recommendation that rule be struck out agreed to.

New rule 92; 92 (2); 92 (3); 92 (4); 92 (5) agreed to.

Amended rule 93 agreed to.

Amended rule 94 (1) and (a) agreed to.

Amended rule 94 (b) and rule 95—recommendation that rule be struck out agreed to.

Amended rule 96 (1); amended rule 96 (2); amended rule 98; amended rule 100; amended rule 101 agreed to.

Rule 102—recommendation that rule be struck out agreed to.

Rule 103 agreed to.

Rule 104—recommendation that rule be struck out agreed to.

Amended rules 106, 107, 110, 111, 113, 116 and 117, agreed to.

On amended rule 118—Parliamentary agents.

Mr. HEAPS: This rule provides that no person shall be allowed to be registered as a parliamentary agent unless he has paid a fee of $25 and is actually employed in promoting or opposing some private bill or petition. As it stands, that language would imply that the payment of $25 makes him a permanent agent. I take it that is not intended.

Mr. SPEAKER: During each session.

Mr. HEAPS: It does not say so.

Mr. SPEAKER: That is the fee in England and in the United States.

[Mr. Lapointe.]

Sir GEORGE PERLEY: The hon. member has raised a point worth considering. Undoubtedly the rule as it stands makes the agent permanent on payment of $25.

Mr. CASGRAIN: Make it "per session".

Mr. ADSHEAD: Perhaps we might say, "an annual fee, $25."

Mr. CAHAN: I suggest that the rule be amended to read:

No person shall be allowed to be registered as a parliamentary agent during any session unless he has paid a fee of $25 and is actually employed in promoting or opposing some private bill or petition pending in parliament during that session.

Mr. YOUNG (Saskatoon): That language is not quite clear. The words "during the session" should come after $25.

Sir GEORGE PERLEY: Why not say "for each session"?

Mr. WARD: I would suggest the word "sessional" in the second line—"unless he has paid a sessional fee".

Mr. MALCOLM: The fee is paid only for one session and I think the words "for such session" might be sufficient.

Mr. YOUNG (Saskatoon): As a new member, I should like to know what it is all about anyhow. What is a parliamentary agent and why is it necessary for him to pay $25? What does it all mean? Is he a species of lobbyist?

Mr. CAHAN: No; parliamentary agents are necessary for the ordinary progress of bills.

Mr. SPENCER: With what officials do parliamentary agents register?

The CHAIRMAN: Shall the amendment carry?

Mr. WARD: What is the amendment?

Mr. STEVENS: Mr. Speaker might be good enough to inform the committee whether any recommendation has been made to have a new issue of Beauchesne's Parliamentary Rules in their present handy form.

Mr. SPEAKER: Naturally the rules will have to be recast and reprinted. As amended they will come into force next session. In the meantime I presume they will be printed and I dare say the Clerk of the House will have a new edition of his book published. That book, of course, is his own property and not ours, but possibly later on parliament may deem it advisable to pay for the distribution amongst the members of the

House of copies of the revised edition. The amendments which have been made, though radical in some respects, do not conflict with the general principles of parliamentary government and May and Bourinot will continue to be quoted in this House. At all events the publication of a new edition of Beauchesne is a matter that concerns the clerk personally.

Mr. STEVENS: The committee, I think, will agree that the rules as issued a few years ago and as we have them now are printed in the handiest possible form. A number of decisions have been rendered in recent years and this of course will necessitate such changes as may warrant a new edition. I suppose it would be out of order for me to make such a motion, but perhaps I can induce the Minister of Justice to move at the proper time that a new edition of the book be printed.

Mr. SPEAKER: Perhaps the hon. member will leave it to the common sense of the Speaker.

Mr. STEVENS: If we leave it there we are safe.

Mr. SPEAKER: I gave instructions to the Clerk the last time to have the rules printed, and now it will be necessary to have a new edition printed containing the amendments adopted by the committee. The Speaker can then not do otherwise than recommend to parliament that a certain number of copies be distributed among the members. In fact, every year we distribute copies to the new members. There need be no fear about that.

Mr. YOUNG (Saskatoon): I would like to know what is the purpose in making the man pay a fee of twenty-five dollars.

Mr. SPEAKER: Every lawyer has to pay to the bar of his own district an annual fee. I pay to the bar of Montreal every year a fee to have my name kept on the roll as a practising lawyer. When a lawyer appears before a committee of parliament he is paid a very large fee, an enormous fee in some cases, and these lawyers use our officers, our paper and ink and pens and our offices, and the least they can do is to pay a small fee out of consideration for the personnel of the House of Commons. I may say that in England and the United States counsel who appear before committees to argue cases for private interests are obliged to pay a certain fee to the officers of the House, which goes into the treasury, and we are simply following the practice that is followed elsewhere.

Mr. EDWARDS (Frontenac): The only objection I have to the rule is that it should be one thousand dollars instead of twenty-five.

Some hon. MEMBERS: Hear, hear.

Mr. CASGRAIN: Do not be too hard on the legal profession.

Mr. YOUNG (Saskatoon): I quite agree with the hon. member for Frontenac-Addington. I do not think the practice of a lawyer or a medical doctor paying an annual fee to his society is in the same position as this at all. I do not see why these people are allowed to use our offices and our pens and ink, as stated by Mr. Speaker. I think the fee is a great deal too low. I would like to see it much higher than twenty-five dollars.

Sir GEORGE PERLEY: Would you read the rule, Mr. Chairman, as it has been amended?

The CHAIRMAN: Rule 118 will now read:

No person shall be allowed to be registered as a parliamentary agent during any session unless he has paid a fee of twenty-five dollars for such session and is actually employed in promoting or opposing some private bill or petition pending in parliament during that session.

Amended rule agreed to.

Conclusion—Recommendation that amended rules be put into force next session agreed to.

Report, with amendments, reported.

On the motion of Mr. Lapointe for concurrence in the amendments:

Mr. HENRI BOURASSA (Labelle): Before concurrence, as I have not taken part in this debate, I wish to make an observation that might be of some use in the future. If the object of the committee engaged upon the revision of the rules was really to expedite the business of the House, it seems to me that it has failed in one important respect. It has been observed during the debate—I read it in Hansard—that much time is consumed during the former part of the session, not to say the most of it, in discussing various estimates in committee of supply, and then when we come towards the end of the session hundreds of millions of dollars are voted almost en bloc. Comment is made on that at almost every session. It seems to me, with all due respect to the committee, that a much more important reform than many of these that have been adopted would have been to study and, if possible, recommend one feature in which I think the French parliament has improved on the English practice, and that is of constituting a

standing committee on supply—"La Commission du Budget." To this committee is referred the whole of the estimates, and before it appear the permanent officials to give any information that is required.

I think it is a ridiculous proceeding we have here when estimates are going through, to see a couple of chairs brought in and placed in front of the minister for a couple of officials who are supposed to know all the matters that are going to be considered. Very frequently they do not know, and very frequently the minister does not know a word about the subject under discussion. A question will be put to him by an hon. member; then the minister interrogates the official, gets some answer, repeats it to the committee, objection is made to it, then a further consultation takes place. Certainly this little talking business does not conduce to a proper elaboration of the estimates. If we had a permanent committee of supply, all that work would take place in that committee, which would function just like the committee on railways and canals, or the committee on miscellaneous private bills. The permanent officials would be interrogated by the members of the committee right there, and would give their evidence at first hand; and then, when the estimates were referred back to the House, they could be adopted by chapters, as it were—the budget of the Railway department, the Militia department, the Public Works department, and so on. Any motion of censure or amendment proposed by any hon. member of the House would be as to the general policy of the department, and Hansard would only record such debates that bore on the general policy of any department or on the general policy of the government. It seems to me that much time could be saved in that way; in fact, if that is not the rule, it is the practice in England. The committee of the whole House discusses only the general features of the budget, and if any member of the opposition has any criticism to make or blame to pass upon any department of the government, he moves that the salary of the minister or Secretary of State be reduced by £100, and then a discussion takes place upon the policy of the department. Then there should be no verbatim reports of all the discussion that takes place here on some little post office, or the building of a wharf, or the best way of packing apples, or the number of pounds of butter that should go in a case. I think the larger the country grows and the more we have various matters of detail introduced into the budget, the more we will have to look into this matter. I am merely making a suggestion this year. I think the idea will have to be considered, and when it is considered perhaps we will make headway.

[Mr. Bourassa.]

Another point I want to deal with is the right of private members to propose amendments to supply or to budget resolutions. I do not want to offer criticism. But, as a matter of illustration, when the budget resolutions of the Finance minister were before the committee two motions were made, one to restrict the application of the sales tax, the other to limit the reduction in the income tax as proposed by the Minister of Finance. Both were declared out of order. If the decisions then rendered were to become the practice of the House, it would mean that no private member has the right to suggest amendments that would either diminish or increase taxation. I have taken the matter up since that time. I have studied authors that I had forgotten about for years, and I have come to the conclusion that if those decisions were to form part of the jurisprudence of the House, the liberties of individual members would be much more restricted than had ever been thought of, either in this House or in any other parliament. I cannot believe it is the intention to do so. Of course, it has become a practice, although not for many years, in the British House of Commons—and we have followed the practice—that no money measures can be introduced by a private member. It has also become the practice that no individual private member can propose anything which means an increase of expenditure. This is of rather recent growth in the Britsh House of Commons. I do not dispute that, and what I think is expressed in various forms, in various language, and supported by various precedents, is that no private member can introduce amendments that would change the character of a money measure proposed by the government, as it has been approved by the king, or the representative of the king. But surely any private member should have a right to propose that a measure already accepted by the government and presented by a minister in the House should be enlarged or restricted, provided we remain within the scope of the matter presented. To give an example, I do not think it would be in order, according to the present interpretation placed upon the rules, for a private member to propose that a direct tax should be changed into an indirect tax, or that the Customs Act should be amended either by lowering the duties or raising the scale, and compensate for that by some change in the income tax. But if the government introduces some amendment

to the Customs Act bearing upon a certain article, or certain kinds of merchandise taxed by the tariff, or if the government proposes certain amendments to the income tax, surely it should be within the right of any individual member to suggest by way of amendment that this special measure, applying to the same clause in the law, should be enlarged or restricted. I think if the rules of the House are to be reprinted, if precedents are to be quoted, and if the opinions of parliamentary jurists are to be taken, something to that effect should be mentioned. I stand for ministerial responsibility; but I think every member of the House, no matter what party he supports, should also stand for the privileges and liberties of the individual member. A very conservative British author, a high authority, Lecky, pointed out, some thirty or forty years ago, how, with the growth of practice the cabinet, a new institution in parliamentary government, a thing which was not heard of two hundred years ago, has gradually absorbed the powers of the Lords, the powers of the Commons and the powers of the King. Surely the evolution in the parliamentary system of government, either in Great Britain or any country which boasts of parliamentary traditions, should not tend further towards replacing aristocracy or autocracy by oligarchy. Surely we must preserve some principles of representative government. While reserving to the committee of the House which commands its confidence, full liberty to carry out its policy, we should also concede liberty to individual members to make suggestions or propose changes, not merely by words but by amendments that give concrete form to their thought, or the thought of the people they represent. I commend these matters in a most friendly spirit to all and to the House of Commons as a whole. I think a very substantial reform would be accomplished if we had a committee of supply to deal with the budget in a business-like manner while reserving to the House ample liberty to discuss the general features of the budget, and at the same time reserving to private members their full liberty to express the views of the people who sent them here, not to serve one party or the other, but to serve the country to the best of their ability.

Mr. J. G. ROSS (Moose Jaw): The rules have been framed in an endeavour to expedite the business of the House and to shorten the length of the session. When the report of the special committee was brought in the other day the discussion was started before many hon. members knew what was coming down that day, and very few were here to discuss the first few rules.

The second rule, providing for closing of the House at eleven o'clock at night, in my opinion will lengthen the sittings of the House a great deal, and I do not think we should have an ironbound rule with regard to adjourning at eleven o'clock at night, because if that rule were in force the debate could be kept going for an endless time. I think the House expressed an opinion on it, and we should endeavour to close at eleven o'clock at night. But when we pass an ironbound rule to close at eleven o'clock at night in my opinion it will greatly lengthen the session of parliament and I think it should be carefully considered before we finally adopt it.

Mr. NEILL: It was my intention to move an amendment at this stage. But in view of the vote taken about an hour ago, and the decision of the House in favour of this rule, I will not waste time in forcing another vote, but I want to go on record once more as entirely opposed to the changes made by which the speeches of private members will be limited to forty minutes on all occasions. One hon. member opposite said that the British House of Commons was originally instituted to vote supply. Yes, but there was a condition attached to it. Before they voted supplies they made the king listen to the grievances of the common people, and it is the inalienable right of the common people to present their grievances in the House of Commons, but the House has dealt a blow against that principle to-day. While the amendment was carried a little while ago I think that the greater tribunal, the people of Canada will justify us who opposed it in the position we took. I think the most precious political rights the British subject can possess are, first of all, the right to vote, and second, the right of untrammelled free speech, and I believe the House has struck a blow at that right to-day.

Mr. HEAPS: The rule limiting speeches to forty minutes has been agreed to, and I desire to know if, under this rule, a member is to be allowed for the time taken up by interruptions.

Mr. SPEAKER: I may be allowed, not to take part in the debate, but to explain. Whenever closure is invoked the time taken up by any interruptions of a member is credited to his twenty minutes. It is an unwritten rule in congress, for instance, where similar restrictions are in force, to allow a congressman extra time for interruptions.

Hon. ERNEST LAPOINTE (Minister of Justice) moved:

That the report of the committee of the whole on the rules of the House be now adopted.

Sir GEORGE PERLEY: I second the motion, Mr. Speaker.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion?

Some hon. MEMBERS: Carried.

Mr. NEILL: On division.

Mr. SPEAKER: Carried on division.

SUPPLY

DEPARTMENT OF PUBLIC WORKS

The House in committee of supply, Mr. Johnston in the chair.

Public Works—chargeable to income—Prince Edward Island, $189,600.

The CHAIRMAN: Is it the desire of the committee that this vote should be taken item by item?

Some hon. MEMBERS: Yes.

Charlottetown—reconstruction of railway wharf, $75,000.

Mr. MACDONALD (Kings): What is this $75,000 for?

Hon. J. C. ELLIOTT (Minister of Public Works): This is a revote of $75,000, to provide for the reconstruction of the railway wharf at Charlottetown.

Mr. GUTHRIE: There is nothing in the estimates to show that this is a revote. When was the item voted before?

Mr. ELLIOTT: Last session, I understand, but it does not appear in the main estimates. Possibly it will be found in the supplementaries.

Item agreed to.

Harbours and rivers generally—repairs and improvements, $10,000.

Mr. MACDONALD (Kings): I would like to ask the minister if it is the intention of the government to provide anything this year for accommodation at Georgetown or Souris. The question of accommodation at Georgetown has been before the government for a couple of years at least, and it was generally expected that something would certainly be done this year. I brought it up in the House last session, and the then Minister of Public Works stated that the government, having considered the matter, intended to proceed, but that owing to the railway east of Charlottetown being narrow gauge, it was no use constructing a warehouse until the gauge was standardized. This was done last September, and the people of the province have been hoping that this very much needed accommodation would be provided. It is not a local matter affecting merely Georgetown or even Kings county, it is a matter for the province as a whole. For at least a month after the harbours of Charlottetown and Summerside are closed in December Georgetown and Souris are open. The growing of seed potatoes is now a very important industry in Prince Edward Island, and their transportation has become an acute problem. As is well known, the car ferry during the past year was taxed to its utmost capacity, and was unable to transport all the produce grown in the province. Although it worked day and night during November last it was unable to carry all the traffic offered. There will be great disappointment if something is not done this year to provide the necessary accommodation, by reason of the fact that a large portion of the seed potatoes is sold in the southern part of the United States, and it is very important that this traffic should be moved by water. In certain parts of the south they will purchase these seed potatoes only about the middle of January when their planting season commences. Transportation by rail is very expensive; it is also risky on account of frost at that time of year, and they will not ship till late in the season because they have no storage facilities there and do not want to hold potatoes for a month or six weeks. Therefore they want transportation by water at the latest possible date. Last year the latest date on which navigation was open at Charlottetown and Summerside was during the first few days of December, while a steamer loaded a cargo of produce in the harbour of Georgetown on January 11. Navigation could have been continued for many days later had any business been offered or had there been accommodation.

Mr. ELLIOTT: I might ask my friend a question which he can answer in the course of his remarks. I have received representations with regard to both Souris and Georgetown, and as to the relative amounts of potatoes shipped from both places. There is no doubt that there is quite an extensive traffic in potatoes, which I understand to be largely seed potatoes shipped to the United States from both these places. Would my friend feel disposed, in case the government should not feel able to grant both requests, to state which is the larger? The figures differ somewhat.

Mr. MACDONALD (Kings): I would say to the minister that the local traffic is not considered in the matter as of any consequence, although of course it is important to the people of these different localities. I am not speaking for the county of Kings or for

the towns of Georgetown or Souris; I am speaking for the province of Prince Edward Island. Queens county is just as much interested as Kings county, because the main features apply equally to both. The harbour of Souris cannot be used as a shipping point during the month of December because it has no storage facilities, and the people in the vicinity of Georgetown cannot use that point either; if either Georgetown or Souris were equipped with the necessary accommodation the whole province would be able to make use of that accommodation. The farmers would then be able to get their produce to the southern states at the time the consumers want it, and the farmers would realize a great deal more than would otherwise be the case. I was proceeding to give the reasons for that statement. If the potatoes are transported by water they can be delivered in the southern United States at a price which will cover both freight and duty if shipped by rail, and when you realize that the duty is thirty cents per hundred pounds and that you can save at least that amount if not more by water transportation, it will be seen that this is a very important item.

I would not like to say to the minister that he should select one point or the other, because either port will serve the great bulk of the province. I think the government officials and engineers should decide on the point where this warehouse should be placed. A meeting of the potato growers was held at Souris about two weeks ago, at which strong representations were made from the local standpoint that this warehouse should be placed at Souris, while I understand that up to that time all negotiations by the department were made with the view to having this warehouse at Georgetown. I understand the department has prepared plans for that warehouse, and it was generally accepted in the province that these facilities would be constructed at that point. Beyond that I have not anything to say in the matter; it is entirely up to the government and its officials to decide the proper point at which to place this warehouse. As a matter of fact, if we had nerve enough to ask for it, accommodation should be placed at both these points, but we realize that we must be reasonable and must be satisfied if the Department of Public Works will grant us one warehouse at this time.

There are many reasons which could be given for accommodation at these points other than the local needs of these places. There are a number of places in the eastern and northern parts of the province which have no railway accommodation whatever but have water accommodation, such as Murray Harbour North, Lower Montague, Gaspereaux, Newport, Bridgetown, Fortune and some points on the north side as far around as New London in Queen's county. These and other points would be served by accommodation at either Souris or Georgetown, because these people would be able at any season of the year to assemble their produce at Georgetown or Souris by means of small schooners, large motor boats or other means of water transportation, without fear of frost. This is a most important matter; while I do not like to take up too much time of the House I would like to go further into it, but I hardly think it necessary. I think probably the minister has all the information required, and if there is anything further he would like to ask I would be glad to tell him.

Before closing I would like to say that when this matter was brought up last year the minister practically told us the warehouse would be built after the railway was standardized. The Prime Minister was at Georgetown last year; at that time this matter was put up to him very strongly, and the people at the meeting understood his statement to be a practical promise that a warehouse would be built at Georgetown. I think I am justified in saying that—and I am not speaking politically at all but rather in the interests of the industry in Prince Edward Island because The Patriot newspaper, which is the Liberal organ in that province, reported Mr. Mackenzie King as follows:

> Mr. King spoke of his landing at Georgetown and of the discussion in parliament as to the need of improved facilities at that port.
>
> He was interested in seeing the large warehouse on the railway wharf which had been referred to. He did not wish to be charged with making promises to influence the electors, but as a result of representations made to him, the Liberal government had taken steps to have this shed made frost-proof. The then Minister of Public Works, Hon. Dr. King, had declared that as soon as the standardization of the railway east was completed the work of making the warehouse frost-proof would be undertaken.
>
> "I believe that this would be a right and proper step, and should be undertaken as soon as possible," declared Hon. Mr. King, amid loud applause.

The people of that section of the country took that statement as a definite promise, in conjunction with the statement made by the then Minister of Public Works, that this work would be proceeded with without delay and that the accommodation which is so much needed would be granted. There is great disappointment in that province to-day because of the fact that no sum has been placed in

the estimates this year to provide for this work.

It must also be remembered that even during the open season, the harbour of Charlottetown was taxed last year to its utmost capacity, and as a result about 800,000 bushels of potatoes were shipped from that port. About 200,000 bushels passed through the port of Summerside, and an additional 200,000 bushels were handled by schooners and other sailing craft. The car ferry, during the shipping months, handled 2,271 carloads; as I said before, during the month of November the car ferry worked day and night and was taxed to its utmost capacity, handling about 1,165 car loads. These figures are taken from the records of the railway officials. I am satisfied that about the utmost that could be handled, with the rail and water facilities available, was handled last fall. Unless some further accommodation is given so that larger shipments can be made, there is a prospect that we shall be seriously handicapped in the matter of shipping facilities next fall.

Mr. ELLIOTT: I may say to my hon. friend that representations have been made by at least two delegations on behalf of Georgetown, and one or more on behalf of Souris. They have pointed out that the potato industry in Prince Edward island has doubled in production in the last three or four years, and the exports have more than trebled. There is a great difference of opinion between the representatives of these two places as to which port is best entitled to consideration. I do not think that either of them quite expected that much could be done for both. However, a survey of the Souris district is now being made, and I shall be very glad to go into the matter further as soon as that report is received.

Mr. JENKINS: I should like to say for the information of the House that potato growing in Prince Edward island is going ahead at a very rapid rate. The votes included in the estimates we are considering were inserted there for the purpose of making provision for the expansion of this particular industry. In order to show hon. gentlemen just how important the matter is, I shall quote from the issue, dated February 19, last, of the Commercial Intelligence Journal, gotten out by the Department of Trade and Commerce, wherein appears an article by Trade Commissioner Frederick Hudd on Canada's trade with the United States. In the course of this article the Commissioner says:

Undoubtedly a considerable portion of the total exports of potatoes from Canada to the United States were reëxported to other markets, although detailed statistics on this point are not available. It is evident, however, that the reputation of the Canadian potato, as well as its superior quality and size, are finding for it a constantly expanding market, not only in the United States but in foreign countries through United States agencies. Improved methods of cleaning, grading, and packing Canadian potatoes have greatly assisted their marketing in competition with potatoes from the New England states. Under present conditions the heavy movement of potatoes from maritime province points in the months of November and April results in a congestion necessitating the placing of an embargo on potato shipments at such points as Boston and New York. This congestion at two periods results in a lower price for the producer. After having obtained a first hand knowledge of the potato situation, paricularly in Prince Edward island, the writer is of the opinion that it would be of considerable advantage if there were more frost proof warehouse facilities on railway tracks at Canadian shipping points. Potatoes could then be stored and shipments spread over a period, thereby eliminating the risk of loss due to lack of frost proof storage for potatoes which it is impossible to ship when the movement is at peak.

There was included in the estimates of last year the sum of $75,000 for the desired work at Charlottetown, but it was not available in time. The railway authorities therefore, agreed that they would undertake the work with the understanding that they would be reimbursed later on by the Public Works department. To show you what effect this work has had in connection with the industry I beg to put on Hansard a letter written to me on December 7, 1926 by the secretary of the Prince Edward Island Potato Growers' Association. That letter is as follows:

Dear Mr. JENKINS:

I feel that as an association we should express to you our appreciation of your efforts in securing for us at Charlottetown a better warehouse for the handling of our potatoes.

This season we had in storage during cold weather potatoes in value from seventy-five to one hundred thousand dollars. This was due to the late arrival of steamers over which we have no control, and you can readily understand how great would have been our loss in the old shed. While that is the most important advantage, yet loading as we did such large cargoes we could never have been able to accomplish the moving of upwards of seven hundred thousand bushels in practically six weeks with the old facilities.

We wish to assure you the expenditure has been a benefit to the whole province, and we feel you were of great assistance in bringing the government to see the need for the changes made.

Yours very truly,

J. W. BOULTER,
Secretary,
P.E.I. Potato Growers Association.

I may say, Sir, that I happened to be a member of the House last year and we were

very ably assisted not only by the members from Prince Edward Island, but also by the Hon. John Sinclair, although not at that time a member of the House, who helped us in every way possible.

I am very much pleased to support the recommendations made by the member for Kings (Mr. Macdonald). It is quite true, as he has stated, that the harbours of Souris and Georgetown remain open quite a while longer than either those of Charlottetown or Summerside, and it is therefore essential that we should have later shipments from ports such as these. I shall be pleased to support anything that will give us better shipping facilities for the island at large. As the member for Kings has stated, it is really a provincial and not a county matter. There seems to be, unfortunately, a little difficulty as to what port should be selected for improvement. I would suggest, however, just as he has suggested, that a representative of the department should be sent down to the island to go over the different ports and recommend to the department the proper steps which ought to be taken. I shall be pleased indeed to support whatever recommendation is made by the officer sent down for that purpose. The wonderful work going on in the province is really marvelous to those who are not acquainted with the situation, and any assistance that will help to place the products of Prince Edward island on the outside markets in good condition is something which merits the utmost consideration of the government.

Mr. SINCLAIR (Queens): I will delay the committee only a few moments in a brief expression of opinion with respect to the very important matter now under consideration. I want to say that I agree with the representations that have been made by the member for Kings, and by the member for Queens (Mr. Jenkins) in regard to the necessity of making further provision to aid in the transportation of potatoes from Prince Edward island at a later period in the season. Perhaps, Sir, the two main reasons may be summed up in this way: at present our season for shipping potatoes, after the close of the harvesting period, is forty days. Now, if we can extend that by a month we shall be conferring a great benefit upon the growers of potatoes in the province. Further than that we shall enjoy the advantage of a much larger market in the southern states by shipping potatoes to those people when they require them, which is in the month of January. We can do that if facilities are provided in the eastern or winter ports. With that end in view I say to the minister that it is necessary that one harbour at least in the eastern end of Prince Edward Island be equipped for winter shipments so as to take care of exportations of seed potatoes to the southern states at the season of the year when such shipments are most advantageous.

I may say further that I agree with the minister that if representations have been made to have developments carried out at two ports he could not do otherwise than have a proper survey undertaken and act on the advice of his representative on the ground. I think further, as an agriculturist representing an agricultural constituency, that it would be wise for the Minister of Agriculture to have an expert from his department look into the situation also with a view to having the best possible transportation facilities provided for the exportation of potatoes, particularly from the point of view of making shipments in the winter season possible by water.

Mr. MACDONALD (Kings): I am not quite clear as to the minister's explanation; in fact he has not given any explanation as to why a sum of money was not put in the estimates this year for this purpose. It has been before the government, it has been in the hands of the Department of Public Works for at least two or three years. Last year, according to Hansard, the answer I received from the then Minister of Public Works (Mr. King, Kootenay), was as follows:

> I am familiar with the situation at Georgetown. The government have reconditioned and renewed a very good wharf at that point, and have improved the shed accommodation. It is true that we have not made that shed frost proof, as I think it should be, for the accommodation of the farmers in the handling of their potatoes, but I would point out that at the present time the railway is on the narrow gauge. We understand that the railway is changing to the broad gauge, and once that is accomplished I think we will be justified in spending some money on a potato warehouse at Georgetown.

I do not want to be critical at all but, in view of the facts as set out, in view of the promise virtually given by the minister in the House last year, and the Prime Minister's virtual promise at Georgetown, I do not quite understand why something was not included in the estimates this year for either one of these ports. The minister will agree with me, I think, that it is only within the last few weeks, since the estimates were prepared and printed, that any representations were made to him with regard to Souris. I understand that the first step taken was a meeting held at Souris about two weeks ago, not over three weeks at any rate, and after that a delegation came to interview the minister, resolutions having been forwarded to

him as adopted at that meeting. Surely the department having had the matter under consideration for at least two years, would have been prepared, if they intended doing so, to put an item in the estimates this year to implement the promises made by the Minister of Public Works and the Prime Minister. I should like to have the minister's candid explanation as to why this was not done in view of these promises, or at any rate of what we regard in that light.

Mr. ELLIOTT: The representations on behalf of Georgetown, made shortly prior to the preparation of the estimates, asked, as I recollect, for a frost proof potato warehouse much larger than called for in the first estimate, and it was necessary to have a resurvey made before any decision could be arrived at. The warehouse which had been discussed before was stated by the representatives from Georgetown to be totally inadequate to the present needs of that port, and consequently a further survey was made. That survey was not completed nor reported upon when the estimates were in preparation, and in the meantime Souris represented that the production there was four times as large as the production at Georgetown. That matter is now being inquired into.

Mr. MACDONALD (Kings): It is not at all a question of production at either Souris or Georgetown; that is only a minor detail in connection with the scheme. Does the minister intend to put anything in the supplementary estimates this year for this work at either of these places?

Mr. ELLIOTT: That will depend upon the reports received. I am not in a position to answer that question.

Mr. MACDONALD (Kings): Am I to assume that it is not the intention of the government to do anything this year in regard to this matter?

Mr. ELLIOTT: My hon. friend should not assume that. I want him to understand clearly that I cannot give an undertaking to include any amount in the estimates for either Souris or Georgetown or any other place.

Item agreed to.

Summerside—wharf repairs and improvemets, $63,000.

Mr. MACDONALD (Kings): The minister might explain what this vote is intended for. What construction is contemplated?

[Mr. Macdonald.]

Mr. ELLIOTT: The proposed work will consist of:

(1) Rebuilding outer end and outer west side of wharf to original width of 100 feet on a length of 350 feet.
(2) Construction of two warehouses each 230 feet long, 26 feet wide.
(3) Provision for two lines of railway track between the sheds above referred to.

Mr. MACDONALD (Kings): I was not objecting; I just wanted the information.

Item agreed to.

West Point—wharf repairs, $6,800.

Mr. MACDONALD (Kings): Before this resolution is reported I have just one remark to make. We have in this total vote $189,600 for the province of Prince Edward Island, and it will be found on analysis that almost every dollar of that money, with the exception of a small item for Naufrage, is to be spent in Queens and Prince counties. There is just $1,000 for Kings county. The department is fully aware, from information submitted by its district engineer, how urgent the needs of Kings county are, and it is surprising to find that of this large sum of money practically every cent is to go to Queens and Prince counties and only $1,000 to Kings county. Naturally I feel, as the people of Kings county feel, that we should not be shut out altogether even though by a small majority they voted me here instead of returning a supporter of the government.

Mr. ELLIOTT: My hon. friend is overlooking the fact that these items are made up largely of work in Charlottetown amounting to $75,000 and the vote for Summerside of $63,000, which are the recommendations of the Duncan report.

Mr. MACDONALD (Kings): But apart from that there is $50,000 for the other counties and nothing for Kings.

Item agreed to.

Harbours and Rivers—New Brunswick, $154,100.

Mr. MacLAREN: On looking over this list of places provided for in New Brunswick I fail to see the name of Lorneville. It has been brought to the attention of the department on several occasions by my colleague and myself. Lorneville is an important and thriving fishing village. The catch of fish is quite considerable and valuable, including a large catch of salmon. In the harbour of Lorneville there is a pier which is more useful as a breakwater than for the ordinary purposes of a wharf. Last year the department

made some repairs to this structure, but it did not and does not meet the great requirement of the pier as a breakwater. The water is shallow in the harbour and the fishermen are not able to use the pier as a breakwater in rough weather. There is therefore need of some dredging; not a great deal is required but a fair amount will have to be done. If the minister would look into the matter he would be satisfied that some dredging at that point would be a very justifiable expenditure. It would enable the fishermen to bring their boats in for safety in rough weather. I do not know whether the minister has considered this matter or had it brought to his attention; perhaps not; I think he only came into office since last year. But I would ask him, and I have no doubt my colleague will do the same thing, that some work be done at this point. It is an important centre, a thriving, active port composed of fishermen making a valuable catch of fish of all kinds, and it is about twenty miles from St. John. These fishermen cannot carry on with safety because there is no shelter in time of storm.

Mr. ELLIOTT: I shall be glad to consider the representations my hon. friend has made. I am advised that certain repairs were made last year at this place, but they were of a temporary character, I believe, and did not extend to the dredging. However, the matter will be looked into, and if it is not very extensive there is a possibility that it might be taken care of under the general vote for harbours and rivers.

Mr. GARDINER: What amount was spent in this province last year in comparison with the amount asked for?

Mr. ELLIOTT: My hon. friend will realize that last year was an unusual year, because we were allowed to proceed only with matters that could be gone ahead with under governor general's warrants. The total expenditure last year was around $200,400. The total asked for this year is $154,100.

Mr. GARDINER: Last year's estimate was $292,925.

Mr. ELLIOTT: Yes, and $92,525 of that amount was not expended.

Item agreed to.

Harbours and Rivers—Quebec—Cap de la Madeleine—wharf extension, $75,000.

Mr. GARDINER: Would the minister explain this vote?

Mr. ELLIOTT: The proposed work consists of a close face cribwork extension to the downstream end of the headblock, 200 feet long by 90 feet wide; stone filled cribwork to be around the outside, and the centre filled with earth and stone, and the whole covered with a bituminous macadam flooring.

Mr. GARDINER: Is this the total estimate for the completion of the work?

Mr. ELLIOTT: No. The total estimated cost was $132,800. We have received tenders varying from $110,000 to $174,000.

Mr. GARDINER: Are the tenders let?

Mr. ELLIOTT: No contract has been let yet.

Item agreed to.

St-Louis river—dredging, $46,200.

Mr. GARDINER: Would the minister explain this item?

Mr. ELLIOTT: The proposed work estimated at $46,200 is towards dredging a section of the St. Louis river, 3.35 miles long to a depth of 6½ feet and a width of 40 feet, to complete the scheme of improvements commenced in 1905 and running over a period of years up to 1916. This work will be done by an excavator on caterpillar wheels which will have to be purchased or built, as well as a scow 25 feet by 40 feet.

Mr. GARDINER: Is this to complete the work?

Mr. ELLIOTT: It will complete the work in that particular section, but this is only part of the general scheme.

Item agreed to.

Sorel—harbour improvements, $46,100.

Mr. GARDINER: What is the explanation of this item?

Mr. ELLIOTT: The details are as follows:

(1) Reconstruction in concrete of remaining 311.4 feet of high level wharf along the Richelieu river..	$18,000
(2) Repairs to breakwater..	2,000
(3) Reconstruction, Pontbriand wharf, the new structure to consist of a closeface crib structure built on piles, 250 feet long and 14 feet wide, with a 27 feet return wing at each end and concrete anchor blocks 4 feet by 4 feet by 5 feet placed at every 25 feet..	23,000
(4) To build a reinforced concrete roadway 511 feet long by 20 feet wide connecting the end of Roy street to the high level wharf; and a concrete sidewalk 4 feet wide by approximately 390 feet long around the end of the high level wharf..	6,100
Total..	$49,100
Less work authorized 1926-1927.. ..	3,000
Balance for 1927-1928..	$46,100

Item agreed to.

Valleyfield—dredging, $50,000.

Mr. GARDINER: Last year we passed an item of $31,000 for dredging at this point. Was all that money expended, and will the amount asked for here complete this dredging project?

Mr. ELLIOTT: No. The $31,000 appears as a revote, and we are asking for an additional $19,000 to complete the work.

Item agreed to.

Harbours and rivers—Ontario, $1,021,150.

Mr. KAISER: I would like to ask the minister whether there is under contemplation any expenditure in supplementaries for the harbour at the city of Oshawa.

Mr. ELLIOTT: Representations have been made by various representatives from that district, including my hon. friend, if I remember correctly, and the matter is under consideration.

Mr. KAISER: I am very glad to hear the minister is contemplating taking action, but in fairness to the district I represent I would like to make a statement. It surely must appear to everyone that there is something absurd in the harbour situation at Oshawa. Here we have a city which contributes a larger revenue to this government than any other place in the Dominion with the exception of five. Only five ports in Canada send more revenue to Ottawa than the city of Oshawa. It must strike hon. members as a marvelous thing that a city of our size should send to Ottawa $30,000 every day from customs receipts. We have never asked very much from the Dominion of Canada; we have not made many requests, but twenty-six years ago a Liberal government undertook to build a harbour at Oshawa. By virtue of that promise what harbour we had was destroyed, and after twenty-six years the condition remains the same. There is no politics in this matter; both Liberal and Conservative governments decided years ago that we should have our harbour works completed in that town. The last few years the government voted reasonable supplies and carried on some work which up to to-day has cost $132,000. It will take $112,000 to finish the work. I have recently inspected the works and have taken friends to see it during wintertime, and I say that unless the government completes the work, all that has already been done will be destroyed. It is a necessary work. Our city needs it. There are at the present time men who are quite ready to build coal sheds and do other work which will assist us in our progress and in our undertakings. The harbour is more than half completed, but it has taken twenty-six years to get to this stage. Surely we are not doing anything out of the way in presenting our case to parliament. All we ask is that the work that has been undertaken be finished. It is a small demand in comparison to what we contribute to the revenue of the country. I am glad to hear that the government has the matter under consideration and I hope they will complete it. It will be a benefit to the town, and will more than pay the government of Canada if they complete it. Men in Oshawa have built stores and warehouses at Montreal and are prepared to ship their goods, but they have been standing there several years waiting for the harbour to be completed. I plead with the government to consider this matter and put something in the supplementary estimates of a substantial nature to finish the work which has been dragging along for twenty-six years.

Mr. McGIBBON: I do not expect the minister to carry everything in his head, but in the supplementary estimates last year there was a vote of, I think, $5,000 for repairs for navigation purposes at what we call the Narrows in Muskoka lakes. It does not appear in the main estimates this year; will it appear in the supplementaries?

Mr. ELLIOTT: Nobody knows what will be in the supplementaries until council considers them. Sometimes the minister is disappointed when he asks for certain estimates, but this matter will receive consideration.

Mr. McGIBBON: Will the minister give "favourable consideration," as Sir Oliver Mowat used to say?

Mr. ELLIOTT: It will receive grave consideration.

Mr. GARDINER: I have been looking through the estimates for Ontario and I could not realize what was the matter. There seemed to be something missing. What is the matter with Belle river now? Is that completed, or why is it there is no amount in the estimates for Belle river?

Mr. ELLIOTT: There is very extensive work at Belle river. It has been completed as far as the government intend to go at the present time.

Mr. GARDINER: Does it complete one pier on one side and one pier on the other side?

Mr. ELLIOTT: One pier on one side.

Mr. GARDINER: Does it accomplish anything for the purpose required?

Mr. ELLIOTT: Oh, yes. This government never does anything that does not accomplish something.

Mr. GARDINER: With regard to the grant for a wharf at Ottawa, is it a new project, and where is it?

Mr. ELLIOTT: That is to take the place of the wharf at the basin on the Rideau canal.

Mr. GARDINER: Where is it—on the Rideau?

Mr. ELLIOTT: No, it is on the canal. Conferences are taking place with the railway department and negotiations are under way to decide upon the exact location.

Mr. GARDINER: Is there any use for a wharf at that point on the canal?

Mr. ELLIOTT: My information is that on the canal basin they do $7,000,000 worth of business a year, and it is very necessary. We are taking the present structure away, and some substitute must be provided for it.

Mr. GARDINER: There is only one other vote in this item that I want information about, and that is with regard to the dredging at Toronto. I understood the waterfront was under the harbour commission. Is that under the harbour commission or outside of the commission?

Mr. ELLIOTT: This is not the waterfront; it is the eastern end, and there has to be additional dredging there every year; there seems to be an annual filling in.

Item agreed to.

Harbours and rivers—Manitoba—$22,400.

Mr. GARDINER: Last year in the supplementaries an item was included for the purpose of providing against flood conditions in the southern part of Manitoba because of certain works that had been constructed to the south of the line. Is that project to be undertaken?

Mr. ELLIOTT: I believe my hon. friend is referring to the Roseau river, which is an international stream. I think the control of the water has been referred to the International Joint Commission. The matter is receiving consideration and if we decide to proceed the necessary vote will appear in the supplementaries.

Item agreed to.

Saskatchewan and Alberta—Fort Resolution —wharf, $18,000.
Harbours and rivers generally—repairs and improvements, $10,000.

Mr. ADSHEAD: Whereabouts are the harbours in Alberta?

Mr. ELLIOTT: They are in the northern part of Alberta, being the points along the river where there is water transportation.

Mr. ADSHEAD: The vote has nothing to do with measuring the current of the river?

Mr. ELLIOTT: No.

Mr. GARDINER: How much was spent under this vote last year?

Mr. ELLIOTT: Only $3,195.

Mr. GARDINER: Out of the $15,000?

Mr. ELLIOTT: Out of the $10,000.

Mr. McLEAN (Melfort): Is not Fort Resolution in the Northwest Territories? I think it should be separated from this vote.

Mr. ELLIOTT: Yes, it is in the Mackenzie district.

Item agreed to.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READING

Bill No. 67, respecting The Quebec, Montreal and Southern Railway Company.—Mr. Dubuc.

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL COMPANY

The House resumed from Monday, March 21, consideration of the motion of Mr. Chevrier for the second reading of Bill No. 78, respecting the Montreal, Ottawa and Georgian Bay Canal Company, and the proposed amendment thereto of Mr. Guthrie.

Hon. R. B. BENNETT (West Calgary): Mr. Speaker, probably I would not have taken up very much time in respect to this matter had it not been for the rather uncalled-for attacks which were made yesterday by the hon. member for Ottawa (Mr. Chevrier) and the general terms of insinuation which characterized the major part of his observations. For the benefit of this House I desire to state at once that while I think the personal business of members of parliament should be sacred from the prying eyes of the public, nevertheless when they are dragged into the House of Commons it becomes essential that some observations should be made by those who are directly affected.

For a period of upwards of fifteen years I have been associated with the enterprise known as The E. B. Eddy Company, Limited, which company many years ago purchased a limit on the Gatineau river together with the late Senator Edwards; subsequently, after his interest had been sold, the company acquired the whole limit. The other license holder on the river is the Canadian International Paper Company, and in consequence of the development they are carrying on I found it necessary to speak to the president of that enterprise as to what the effect of their operations might be upon the business of the company with which I was associated. He at once assured me that he had no desire prejudicially to affect those interests, and later suggested that I might join the board of his company. This I did, in common with many others, one at least being the leader of the government in the Senate, and thus I found myself for the first time associated with such a considerable number of distinguished Liberals. You can readily understand what a splendid effect this association has had upon me, and how much it has induced me to believe that the liberality of their views is not confined to their politics.

Might I venture further, and assert that I think no very good purpose was served in this House by the attacks made by the hon. member for Ottawa (Mr. Chevrier) upon the good faith, the honesty and integrity of either newspapers, newspaper men or men of business carrying on their operations in this Ottawa valley. One hearing that speech or reading it afterwards could not but be struck with the rather violent attacks made against the president, for instance, of the Canadian International Paper Company. There is no young man of my acquaintance in the United States, Mr. Speaker, who has made his way by perseverance, by very great ability and the exercise of his great talents as has Mr. Graustein. He has been honoured in the country in which he lives, and his enterprises have received the stamp of approval of Hon. Mr. Taschereau, Premier of Quebec. Therefore I think it ill becomes any Liberal member of this House of Commons thus to attack him where he has no opportunity to make his defence. So far as his business operations are concerned, they have all been carried out under the law. If one for a moment remembers that after all the observations made by the hon. gentleman have nothing whatever to do with the bill under discussion, one finds it even more difficult to explain them, but when one recalls the genial qualities of heart and mind which characterize the hon. member for Ottawa, one is after all inclined to excuse and forgive him and to remember that the principals whom he represents are capable of nothing better.

After all, there is something rather amusing in it all, when one recalls that at the moment it is openly disclosed that the interests promoting this bill are those interests which a few months ago stood on the platform in Newmarket and decried with all the strength and vigour possible the plutocracy of Montreal; when one recalls the evils of St. James Street as then pictured and the wrongs they have done to this country, one cannot but be amused at the observations made by the hon. gentleman with respect to other people in this country. Then one reflects upon how really embarrassing it must be to the right hon. Prime Minister (Mr. Mackenzie King) who, after the toil and effort of a general election, a long Imperial conference and a session of parliament, journeys to Atlantic City there to seek solace and to recuperate his worn and weary frame. One sympathizes with him in all the toil which attaches to the great office which he holds. I see him there on the board walk; there is his faithful senator, the unofficial minister of collections and elections, clothed in all the pomp and panoply of war, wearing the insignia of his office, in his left hand the cancelled Carillon lease, in his right the bill that imposed retroactive income taxes and the act by which it was quietly suppressed. One sees him with all this insignia of his office dividing his time as an unofficial minister between the high portfolio of collection and the duties of minister of elections; and in the distance one observes the senator from Ottawa looking with interest and some suspicion upon these conferences. The scene changes. The right hon. the Prime Minister is engaged in conference with the gentleman who, as a supporter of my right hon. friend in Newmarket, briefly visited Atlantic City, and I assume once more inveighed against the evils of plutocracy. At Newmarket he said: "There is a group of capitalists, mostly in Montreal, who are taking an active part in this election, and that is the principal reason why I have come here to address you to-night." Oh noble patriot! Oh disinterested representative of the humble poor! For that great reason he journeyed to Newmarket, there to instruct the electors how they should vote. Let us listen to the conversation. He recalls to the listening Prime Minister the evils of St. James Street. He recalls to an admiring Prime Minister what evils have been wrought by predatory wealth. He repeats his speech at Newmarket. He recalls the evils that arose in western Canada with respect to the Crowsnest pass coal lands; speaks of the farmers of Brandon;

of the downtrodden and poor of the west—the farmers of the west, the grain growers of the west—he says a Free Press must be ever at their behest. He speaks of the evils of exploiting the Yukon; he speaks of the exploitation of the timber limits and the coal and grazing lands of the west, and the Prime Minister listens with wonder and amazement. He again recalls the evils of St. James Street, and how these evil agents are endeavouring to filch from the people of this country the power on the Georgian bay canal. The Prime Minister, no longer able to contain himself, exclaims: "It must not be, it shall not be. I will hie me to Ottawa, and my Minister of Railways and Canals will save these great resources, not for the plutocrats of St. James but for the squire of Newmarket!"

Now let us see what the hon. Minister of Railways and Canals (Mr. Dunning) says. Sir, the Minister of Railways and Canals breaks the silence of this administration, after days of waiting on the part of the people of this country for a statement. Days pass, weeks pass. Nothing is said. Then the Minister of Railways and Canals, reminding us that he is Minister of Canals and speaks as such, makes a statement in which I am bound to observe there is nothing said with respect to the Georgian bay canal bill. He says there is "a bone of contention", and as he finished his speech one could not help but think of the irrelevancy of his observations. It was a speech to which it will be necessary for me to pay some little attention because it contained half truths and many statements which I regret to say were utterly unwarranted by the record. I make that statement deliberately because I have taken the trouble to look at sessional paper No. 154D, which deals with the whole question of the Carillon power, and was filed with the sessional clerk in 1925. It deals with all the matters that took place in connection with that enterprise, and brings them down to that date, and if you add to that the sessional papers of this year you have the story complete.

Now let us analyze this matter, if we may; for I am sure that after listening to the Minister of Railways and Canals you would have thought indeed that this enterprise came into being from a Tory administration. Everything that is evil, in the mind of the Minister of Railways and Canals, originates with the Tory party. Well, let us look at the facts. The grant of Carillon water-power came into being on the 6th day of August, 1908, under P.C. 950, which will be found at page 10 of sessional paper 154D now under my hand. It was granted to Crawford Ross and transferred by him to the National Hydro Electric Company. It contemplated a development of only approximately 250 horsepower, and on the 14th day of March, 1911—still under the aegis of a Liberal administration—by Privy Council order No. 465 a lease was made direct to the National Hydro Electric Company which involved the improvement of the river and the establishment of a hydro-electric power plant limited in extent. Then in 1913, under Privy Council order No. 1792 dated 14th day of July, to be found at page 24 of the sessional papers to which I have referred, a new lease was made supplanting the old, contemplating an additional power development at that point. Now remember that the origin of this was in 1908, but by successive renewals the matter was brought down to 1913. That contemplated, as I say, a new lease, a larger development of power, and the use of more water. On the first day of December, 1921, by Privy Council order No. 4553 the order in council of 1913 was amended; it will be found at page 76 of the sessional papers. That too provided for an enlarged development and for new terms and rentals.

Now, Sir, in view of the statement made by the Minister of Railways and Canals may I remind this House that that order in council was recommended by Mr. Graham Bell, still Deputy Minister of Railways and Canals, by Mr. Fairweather, a solicitor, and by Mr. Bowden, departmental engineer. The late Mr. Stewart was then Minister of Railways and Canals. Negotiations commenced in October, 1921. Then we find a long memorandum on page 110 of this sessional paper in which the extended powers of the 25th of November, 1921, are fully set out. They did not complete their work for reasons which they subsequently gave, and on the 14th day of August, 1923, the government of my right hon. friend the Prime Minister, by Privy Council order No. 1555, extended until the first day of December, 1924, the time within which the company might begin its operations. That will be found on page 125 of sessional paper No. 154D now under my hand. Then followed a further extension in 1925 and another in 1926. Lastly we have the repeal of the latter order in council by an order in council passed by the present administration. Now the order in council passed in 1926, providing for a new lease, granted extensive powers, but it also contemplated a larger development than had theretofore been provided. It also provided for the provinces of Ontario and Quebec having a contingent interest in the enterprise.

Before I conclude I propose to direct the attention of my hon. friend the Minister of Justice to what I conceive to be legal reasons why this bill should not pass, and I shall refer him to certain authorities and judicial decisions. But at this point I desire particularly to point out that in 1926 the Hydro Electric Commission of Ontario, speaking through Mr. Magrath, entered into negotiations with the Acting Minister of Railways who was also the Acting Prime Minister at the time, Sir Henry Drayton, and as a result the order in council to which I referred was passed. The Minister of Railways and Canals invests this matter with secrecy. He suggests that Sir Henry Drayton hid the documents in his desk, or adopted some other furtive course; that he did not tell Mr. Graham Bell about it—although he would be forgiven for that—and did not tell somebody else. All I can say in that regard is that I have no information respecting the conduct of affairs by Sir Henry Drayton. But those of us who know Sir Henry well realize that his allegiance to public ownership has never been questioned and that in the province of Ontario, in which he has so long resided, his record regarding that matter is quite unblemished. If any hon. gentlemen in this House are interested enough to make inquiries they will find in Sir Henry Drayton's dealings with reference to the Welland canal and the utilization of a portion of the Welland river, the development and use of that stream for the purpose of carrying water for the Chippawa development, an illuminating indication of his attitude of mind towards the principle of public ownership. For the reasons I have stated I cannot give any further information as to the manner in which Sir Henry Drayton may have dealt with the matter except to observe that I know of my own knowledge, inasmuch as I happened to be here between the months of July and September, that Mr. Magrath, the chairman of the Ontario Hydro Electric Commission, came here and entered into negotiations with Sir Henry Drayton. I cannot say what was the extent of those negotiations, but I do know that he was negotiating with Sir Henry with relation to the Carillon power. Further, I also know that Sir Henry, Acting Prime Minister at that time, was in negotiation with the province of Quebec.

Let it be observed now beyond all cavil that the first order in council was passed in 1908, was extended by a Liberal government in 1911, then extended by a Conservative government in 1913 and after 1921 by a Liberal administration again. It was further extended thereafter by a Conservative government and latterly, on the recommendation of the Minister of Railways, an order was passed repealing the authorization for the lease of 1926. There was no secrecy about the matter. If one might quote the language of a great apostle, the business was not done in a corner, for everyone knew about it. The matter was discussed in the public press extensively and every opportunity was afforded to consider it. Certainly, speaking for myself, knowing my former colleague as I do and as hon. gentlemen on this side of the House know him, I resent the covert insinuation of the Minister of Railways that in Sir Henry's dealing with the matter there was any secrecy.

Mr. DUNNING: I rise to a point of order. I made no covert insinuation of any character whatever.

An hon. MEMBER: What?

Mr. DUNNING: I stated a simple fact which the records of the Privy Council and evidence which can be adduced before the committee will amply prove.

Some hon. MEMBERS: Hear, hear.

Mr. BENNETT: Just why hon. gentlemen should cheer a statement so wide of the fact as the one just made I find it difficult to understand. As regards the minister's denial that he had made any insinuation, I accept his word without question and I am glad that he has made that denial. I regret, however, to say that in the course of his speech he was careful to point out that he was saying something he would not say unless certain statements had been made, and that there was such secrecy about the matter as rather marked it as a thing to be avoided in discussion. This reference to the subject should not, I submit, have been made in the absence of the hon. gentleman who was in charge of these matters at that time and who could speak with a measure of authority on the subject.

Now comes a very interesting matter. I again refer hon. members to sessional paper 154D wherein there is an indication of the time at which the situation first became acute —the differences to which the Minister of Railways refers. I find that on June 13, 1923, Sir Robert Perks wrote a letter to the Right Hon. George P. Graham, then Minister of Railways, in which he pointed out that certain difficulties had been experienced by his company in relation to grants of power on the Carillon river to other interests. That correspondence will be found on pages 118-120 of the papers to which I have referred. Then

you have the reply from the Right Hon. George P. Graham dated June 28, 1923:

> This morning I received your interesting letter of June 13th.
>
> As a matter of fact, the lease to which you refer was granted to a company for the development of power at the Grenville canal some years ago, and the only application that is in now is to allow an increase in the amount of power to be developed.

That is what the Right Hon. George P. Graham wrote at that time in June, 1923, to Sir Robert Perks who represented the Georgian Bay Canal Company. The only application in 1923 was therefore for an increase in the amount of power to be developed. He continues:

> I was always friendly to the Georgian bay when revenue was buoyant and surpluses large and people were coming to Canada by the thousands. However, since the war the position has been reversed, and I do not expect, much to my regret, anything in the way of construction along the Georgian bay canal, at least in my time.

And the Hon. George P. still lives. That is the position so far as that phase of the question is concerned. Now I come to another letter written to Major Graham Bell by Mr. H. A. Lovitt, acting for the National Hydro, in which the following statement is made:

> Mr. Fairweather informs me that he left the draft of the proposed new lease with you. Some alterations were made on the suggestion of Mr. Fairweather and I understood from him that the draft as so altered would meet the legal requirements as to form.

So that in 1923 there comes a protest for the first time from Sir Robert Perks, representing the Georgian bay canal interests, as to the granting of power rights at Carillon upon the Ottawa river, and we have the Right Hon. George Graham assuring him that this is nothing new, that all that is involved is an increase in the amount of power; the only application is for an increase in the amount of power that may be developed. Let me point out this significant fact. Any one of us who was in London in 1923 and 1924 will recall that one of the present promoters of the bill was then boasting in that city that he had control of the Georgian bay canal charter which would wipe out of existence other power interests on the Ottawa river. I shall presently give day and date with respect to that matter. In 1923 therefore Sir Robert Perks first comes into the picture in connection with power rights granted the National Hydro Company. That is of some importance in view of what has transpired since that time and to which I shall direct the attention of the House before I conclude. That is the position so far.

What then happened? The hon. gentleman concluded, for reasons best known to himself, and to which I made some allusion in my opening remarks, that it would be well to cancel this lease and later on extend it to the first day of May, 1927. And listen to the reason he gives for doing this. I regard this as one of the most difficult statements to understand of any that I have ever heard or read in this House. At page 1199 the Minister of Railways says:

> What did we do? We cancelled the contract and cancelled the order in council, but we renewed the 1921 lease which was still in existence until May 1, 1927, the date upon which the Georgian bay charter will expire. Why did we do that? With the deliberate objective of putting this whole matter before parliament, this matter which hon. gentlemen opposite had done secretly, ostensibly in the interests of the provinces, as they say. The people of the Dominion were not to know about it. No, this is not a conflict between private and public interests.

I do submit that when a minister of the crown, speaking for the Department of Railways and for the government of which he is a member, says that the government had a deliberate objective with respect to a given matter, no private bill in relation thereto can by any stretch of the imagination represent the policy of the administration. And when I read that statement I have answered every observation the hon. gentleman made with respect to this question. For he says that he renewed until May 1, 1927, the lease of 1921, and the only difference between the lease of 1921 and the lease of 1926 is that apart from rentals there is recognized the contingent right of the provinces to contest the jurisdiction of the Dominion to grant the company the right to develop and sell power under any circumstances whatever; and I think I can convince my friend the Minister of Justice before I conclude that this bill should not be read a second time because it is beyond the competence of this parliament to grant the essential part that is sought, namely, the power rights, for if you eliminate the power and regard this bill as dealing only with a canal, then obviously there can be only one objection to that, and that is the objection of the public interest with respect to a matter of this kind.

Let us go a step further. It was his deliberate objective, the Minister of Railways says, to precipitate a discussion of public business of the utmost, and as the hon. member for Bow River (Mr. Garland) said last night, of the greatest public importance, through the medium of a private bill.

Mr. DUNNING: I did not say that.

Mr. BENNETT: The language of the hon. gentleman was this, Hansard, p 1199:

With the deliberate objective of putting this whole matter before parliament, this matter which hon. gentlemen opposite had done secretly ostensibly in the interest of the provinces, as they say.

He goes further, and then the hon. member for Frontenac-Addington (Mr. Edwards) interrupted to ask:

Mr. Edwards (Frontenac): I understood my hon. friend to say that this action was taken with the deliberate intention of bringing this matter before the House.
Mr. Dunning: Yes.
Mr. Edwards (Frontenac): Was it at the instance of the government that the hon. member for Ottawa introduced this bill?
Mr. Dunning: Not at all.
Mr. Bennett: What does it mean?
Mr. Dunning: This matter would have been brought before the House in any case, and my hon. friend well knows that.
Mr. Bennett: Deliberate intention of the government!
Mr. Dunning: Yes, the deliberate intention of the government.
Mr. Edwards (Frontenac): Acting through a private member.
Mr. Bennett: For Sifton.
Mr. Dunning: Well, Mr. Speaker, we certainly were not acting for the National Hydro or any other private interest in what we did in regard to this matter. It is before parliament, and we knew it was inevitable it should be before parliament.

By a private bill; that is the position with respect to that, and the hon. gentleman repeats that by saying that this bill should go to a committee for the purpose of enabling the House to ascertain the whole story. He says:

I speak as a member representing a constituency, free to do as I wish in connection with this matter.

Now to what committee will this bill go if it passes to-night? To the committee on private bills.

Mr. DUNNING: No.

Mr. BENNETT: Private bills is the only committee it can go to. It is a private bill; it goes to the private bills committee. If it is a canal bill it may, by a direction of this House, go to the committee on railways and canals.

Mr. DUNNING: Hear, hear.

Mr. BENNETT: Assume it does—and here is where some of my friends opposite have, I submit with deference, fallen into a very grave error with respect to sending a bill to committee—I am going to venture even although it may be tiresome, to read some of the authorities dealing with a measure of this kind. That brings me at once to what I conceive to be the essential feature to keep in mind with respect to this matter. It is usual with respect to private bills to give them their second reading as a matter of form. That is usual; I desire to make that perfectly clear, and usually there are very few speeches made with respect to the second reading, unless there be some matter of public interest involved which overshadows the private right. Indeed, it is the almost universal custom for the bill to go to committee. The authorities make that abundantly clear. Let us for a moment look at what the authorities say. At pages 709 and 710 of May the position is stated in these words—I shall not read too many authorities, but I desire to make this point perfectly clear:

The second reading of a private bill corresponds with the same stage in other bills, and in agreeing to it the House affirms the general principle, or expediency, of the measure. There is, however, a distinction between the second reading of a public and of a private bill, which should not be overlooked. A public bill being founded on reasons of state policy, the House, in agreeing to its second reading, accepts and affirms those reasons: but the expediency of a private bill, being mainly founded upon allegations of fact, which have not yet been proved, the House, in agreeing to its second reading, affirms the principle of the bill, conditionally, and subject to the proof of such allegations before the committee. Where, irrespective of such facts, the principle is objectionable, the House will not consent to the second reading: but otherwise, the expediency of the measure is usually left for the consideration of the committee.

Now I desire to say once more that this House in accepting the principle of a private bill on its second reading may be said usually only to do so conditionally, because the proceedings with respect to a private bill are partly legislative and partly judicial; before the House, they are legislative; before the committee, they are judicial. It becomes necessary and essential for the promoters of the bill to prove their facts before the committee; otherwise, they fail to get their legislation. But it must be observed further that where, irrespective of such facts, the principle is objectionable, the House will not consent to the second reading.

Now my contention to this House, Sir, is that this is a bill where, irrespective of the facts, the principle is objectionable.

Mr. CHEVRIER: Will the hon. member tell us since when the principle of this bill has been altered so that it has now become objectionable? It has been before the House thirteen times.

Mr. BENNETT: I am very grateful to my hon. friend for interrupting at this

moment, because it enables me to say something here which I proposed to say later.

Since this bill was first placed on the statute books the development of our jurisprudence by the decisions of the Privy Council has altered the legal status of the provinces with respect to the water and the river bed of navigable streams in the provinces, and I shall presently refer to the decisions which support that contention—shall I say?—because my friend being a lawyer will realize that there are two sides to every case.

Mr. LAPOINTE: Hear hear.

Mr. BENNETT: Certainly; we all know that judgment is rarely given for both plaintiff and defendant. Under these circumstances I am merely going to discharge what I conceive to be my duty to the House by placing before it, as best I may, the considerations that influence me to conclude that this is a matter of grave public importance rather than a matter of private interest.

Let us proceed a step further. My hon. friend the leader of the opposition (Mr. Guthrie) has moved an amendment in that sense. He has kept clearly before him the distinction between a private bill and a public measure, and in that he is supported by the authorities in England. I desire to point out the principle upon which they proceed. I cite only a few authorities. I will point out to you that in England this bill could not possibly receive consideration or attention as a private bill, and I am going to show you the authorities, if I may, Sir, because I conceive it to be somewhat important that we should in this parliament recognize that a bill which at its inception thirty years ago may have been purely a private bill, may by reason of changed conditions, by the alterations of the law, by the development of the country, by industrial demands, by all the conditions that go to make a progressing civilization, become a public measure, and thereby lose its status as a private bill. Let me point out what is said in May. Commenting at page 657 upon private and public bills, he says:

> Bills for the particular interest or benefit of any person or persons, are treated, in parliament, as private bills. Whether they be for the interest of an individual, of a public company or corporation. or of a parish, city, county, or other locality, they are equally distinguished from measures of public policy; and this decision is marked in the very manner of their introduction. Every private bill is solicited by the parties themselves who are interested in promoting it, being founded upon a petition which must be duly deposited in accordance with standing order.

Then, after reviewing a number of cases, the learned author proceeds to indicate the real difficulties that are encountered when you come to a bill of this character. He says:

> In passing private bills, parliament still exercises its legislative functions, but its proceedings partake also of a judicial character. The persons whose private interests are to be promoted appear as suitors for the bill; while those who apprehend injury are admitted as adverse parties in the suit. Many of the formalities of a court of justice are maintained; various conditions are required to be observed, and their observance to be strictly proved; and if the parties do not sustain the bill in its progress, by following every regulation and form prescribed, it is not forwarded by the House in which it is pending. If they abandon it, and no other parties undertake its support the bill is lost. however sensible the House may be of its value.

He proceeds further to point out that in England a number of bills that were introduced as private bills had to be withdrawn. Then at page 667 there is a review of a number of cases. He says, for instance:

> In 1900, on the second reading of a private bill promoted by the Metropolitan Water Companies, the Speaker called the attention of the House to the large and important powers which were propoed to be conferred by it upon a public department (the Local Government Board), and which, according to the practice of the House, ought to be secured by a public rather than by a private bill; and the bill was accordingly withdrawn.
>
> In 1910, on the second reading of the Society of Apothecaries of London Bill which had been introduced as a private bill, the Speaker drew attention to the fact that the bill sought to empower the society to grant diplomas in sanitary science and public health, and for dentistry and dental surgery, and ruled that it should proceed as a public bill, as it dealt with public interests; and the bill was accordingly withdrawn.

And the same with another bill, and still another. I need not go into details. All the authorities go to show that where it appears from the statement of the powers sought or the principle which the House is asked to support that any measure affects public interests of large and wide character, it ceases to be a private bill and must be dealt with as a public measure. That is the summary of the position. It is for that reason that the leader of the opposition has moved, not that this bill should be given the six months' hoist or read three months hence, but an amendment declaring that a bill which confers upon a private corporation powers so large, over two hundred miles of river and lake waters, is a public bill, not a private bill, and cannot be dealt with by the House as a private measure.

Mr. CHEVRIER: Will the hon. member tell us wherein lies the change, if any change there be, in the principle of this act since its inception in 1894?

Mr. BENNETT: I should like to ask my hon. friend this question: wherein lies the difference between the tallow dip age and the age of electricity?

Mr. PARENT: If the principle has been wrong since the beginning, the repetition of wrong should produce no good.

Mr. BENNETT: My hon. friend is answering the query put by his colleague: If the principle is wrong, the fact that this parliament has acted upon a wrong principle with respect to this bill does not make it right.

Mr. CHEVRIER: Then we must assume that in the previous parliaments they were all wrong and that the hon. gentleman is the Daniel come to judgment.

Mr. BENNETT: That is hardly the question, I have not understood that the name of the promoter was Daniel. It was something more euphonious; and I have never yet heard that he was thrust into a den of lions for his convictions.

Let me conclude what I was going to say with regard to the committee. I very much respect the observations of some of my hon. friends opposite who have given the matter careful consideration. Many of them see no reason why the usual practice with respect to private bills should be departed from; they say that we have been accustomed to let such bills go to committee, and why should we not do so in this case? That is the way we deal with other private bills. The only observation I would make about other private bills is that usually we have a non-contentious bill up for second reading. When the bill affects the public interest the case is different and there is not an hon. member present who has not said that it does not affect public interests. The Minister of Railways, who is the spokesman for the administration, says that "the bone of contention" is power in the Ottawa river. Do hon. members realize that if this bill passes you hand two hundred miles of river and lake waters, with all the latent possibilities for electrical development, extending to upwards of a million horse-power, according to reports I have in my hand, to a private enterprise, without one dollar of revenue coming to the state? The leases about which the hon. member complains all provide for the payment of rentals. This measure carries none. This bill does not

give Canada one dollar for rental, and it takes two hundred miles of water away from the people and gives it to a private enterprise. Under the original lease of the Carillon power alone there was to be developed only 250 horse-power. This was increased to 250,000 or 300,000 horse-power, which would have given this country $600,000 to be divided between the Dominion and the provinces. Since when was there a public enterprise that took from the revenue of this country the sum of $150,000 a year? Since when did it cease to be a public matter, in the view of the Minister of Finance, to take from the treasury $150,000 a year?

Mark you, in this bill, to the principle of which you are now asked to give your approval, not one dollar comes to the Dominion for revenue, not a sou—that under the leases about which complaint was made $600,000 was to be paid in, and the annual rental was to be fixed ultimately by the Exchequer court. That is the position. Let us not blink the facts. Let me proceed further. We have been asked to send this bill to committee. What may we do in committee? Do you realize that in the committee you cannot change the principle of that bill? Do hon. members realize that they cannot add to it a provision with respect to rental?

Mr. DUNNING: Do I understand the hon. member to say that the rentals provided for under the lease were $600,000 a year?

Mr. BENNETT: That $600,000 might come to this Dominion ultimately at the end of the lease. On the figures as given, estimating it on the same basis as at present, the Exchequer court, applying the principles of the present lease, would award a much larger sum; it would be more than a quarter of a million if fixed by the Exchequer court on the same principles as the present revenue is fixed. It is only an estimate with respect to the production of horse-power, but my argument is that under the present bill we are asked to affirm the principle that not one sou goes into the exchequer for the use of two hundred miles of waterway, which under the lease would bring us a large sum of money, and under the lease the revenue comes to the Dominion and the provinces.

What are the powers of the committee?

The committee cannot report back a bill different in principle from that under consideration.

That is Number 1. Number 2 reads:

Though a committee has full power to amend even to the extent of nullifying the provisions of the bill, they cannot insert a clause reversing the principle affirmed by the second reading

That is parliamentary law at any rate. Why this talk about letting the bill go to committee? Do my hon. friends realize what it really means? The committee may not amend the bill in such a way that it will reverse the principle affirmed by the second reading. What is the authority for that statement? I find a case in the House of Commons in England. In the year 1880 they were dealing with a bill in the same position as this one, and in volume 251 of the third series of the debates in the House of Commons this is the way it was put by the chairman:

It certainly appeared to him that so far as the committee were concerned, they were required by the House to consider any bill sent to them in accordance with the objects with which it had been sent to them by the House. It was open for them to modify the propositions contained in a bill, or to annul them: but it was not open for them to introduce an amendment which would enact something in an entirely opposite sense to the obect of the bill sent to them.

Again the chairman said:

That was not at all the question before the committee. The bill proposed to repeal the 36th section of the Representation of the People Act of 1867. The effect of that section of the act of 1867 was to declare a certain practice to be illegal. The object of the present clause was to make that practice legal. The proposal of the hon. member for Swansea (Mr. Dillwyn) was not only to leave the practice illegal, but, by amending the clause, to attach a penalty to the illegality, and to affirm the opposite of the principle; in point of fact, to reverse the principle which it was sought by the bill to affirm. That being so, it appeared to him that it was not within the functions of the committee to take such a course without the sanction of the House.

Mr. CANNON: Under the principle just laid down by the hon. gentleman is it not a fact that it would be impossible for any committee to change this canal bill into a power bill?

Mr. BENNETT: I am so glad the hon. Solicitor General (Mr. Cannon) made that observation, for the hon. Minister of Railways (Mr. Dunning) the other evening declared it was a power bill.

Mr. CANNON: That is a very poor answer to my question.

Mr. BENNETT: No, excellent.

Mr. DUNNING: Mr. Speaker, my hon. friend has just put words into my mouth which I never uttered. I stated what is well known to this House, that the bone of contention is the Carillon power. That is the truth, and everyone knows it.

Mr. BENNETT: Let us see what the hon. Minister of Railways did say. At page 1194 of Hansard, I find the following:

Because of the connection of any matter of canalization with the department over which I have the honour to preside, and especially because numerous references have been made from both sides of the House to leases, past or present, which have a bearing upon the subject matter of this debate, I deem it necessary to give to the House, if possible some accurate information respecting the history of what I might call "The bone of contention",—

Mr. DUNNING: Hear, hear.

Mr. BENNETT: (reading):

—because beyond any question that bone of contention is the Carillon power.

I thought he did not say anything about power.

There is not a member of the House who is not aware of that fact.

Now, the Solicitor General says, under that principle how could the House of Commons deal with the question of power in what was a canal bill?

Mr. CANNON: The committee.

Mr. BENNETT: Yes. The hon. Minister of Railways has in anticipation answered the question. But I will go further: I will show in this bill—as the hon. member for Ottawa (Mr. Chevrier) did yesterday—that it does deal with power. That is the legal phase of the submission that I am going to make to this House, and I hope my hon. friend the Solicitor General will do me the honour of listening because I think he will not seriously differ with me in the conclusions at which I shall arrive. If that be so, I ask my friends who propose to vote for the second reading of this bill merely as a matter of form in order to let it go to the committee, where they are in respect to the measure. They must go on record as affirming the principle of the bill, and no committee can change its principle, because of the limitations imposed upon them in the manner that I have indicated.

Mr. CHEVRIER: Just at this point, Mr. Speaker, so there may be no misunderstanding, will the hon. member just say what the principle is of the bill? I have stated definitely that it is a charter for the construction of a canal with authority to develop the surplus power resulting from the construction. Those are the words of the charter.

Mr. BENNETT: My friend from Ottawa—and I quite appreciate his position—has asked me, what is the principle of the bill. A distinguished American poet once said:

I don't believe in princerple,
But, O, I du in interest.

He was interested in principal.

Mr. CHEVRIER: Mr. Speaker, I would appreciate very much if the hon. gentleman would speak in such a way that I might be able to understand him in this corner of the chamber.

Mr. BENNETT: I regret, Mr. Speaker, that my hon. friend is not able to hear me. I shall endeavour to speak a little louder, although it is somewhat difficult for me to do so. I know my friend has equal facility in the English as in the French language. I regret that I have not the facility in French that I have in English. My friend has asked me, what is the principle of the bill. Its principle is determined from reading the bill itself. The bill divides itself into two parts: (a) canal, (b) power. If necessary I shall read the sections later. The first bill sought authority from parliament to create an entity called the Montreal, Ottawa and Georgian Bay Canal Company for the purpose of constructing a canal through a series of lakes and rivers to Georgian bay. There was subsequently a change in the authority thus granted, and the company now has authority, up till the first of May next, subject to filing its plans, to construct a canal from Montreal to Georgian bay through various rivers and river-ways and lakes, a distance of about 200 miles. It also has authority to construct and operate power plants in the first instance as incidental to its business. But as the hon. gentleman last evening pointed out, that provision of the statute was repealed and a new section substituted, and it is that section which answers the question of the hon. Solicitor General, of the Minister of Railways and of my friend. That section provides for the construction and operation of power plants with authority to sell power to consumers. That is the principle of the bill.

Mr. CHEVRIER: May I ask my hon. friend: Does not that section say that they can only produce, lease, supply or dispose of the surplus power?

Mr. BENNETT: I shall read the section. In the year 1912, under a Conservative government, paragraph (a), section 5 was repealed, and the following substituted:

> Produce, lease and supply, or otherwise dispose of surplus hydraulic, electric and other kinds of power developed in conection with and for the purposes of the works hereby authorized, the rates or prices at or for which such hydraulic and electric power may be disposed of by the company to be fixed and determined by the Board of Railway Commissioners for Canada in accordance with the provisions of section 360A of the Railway Act.

[Mr. Bennett.]

That confers upon this company the authority to operate as a power company and tc sell electric energy. What is more, the promoters of this bill have seen fit to put in black and white a statement to that effect, and in the prospectus referred to by the hon. member for Bow River (Mr. Garland) last evening, circulated by the promoters and not by the hon. gentleman, he read a statement that this was not per se a canal bill, but a power bill, and that the revenue derived from the sale of the power would pay interest on $250,000,000 of the cost and the interest on the balance of the capital would be met by the canal tolls, the major part of the cost being borne by the power system, and the main object being the development of power. That is what is stated by the promoters themselves. Let there be no misapprehension on that score.

Mr. CHEVRIER: Mr. Speaker, may I interject—

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order.

Mr. CHEVRIER: Mr. Speaker, yesterday for two and a half hours I laboured—

Some hon. MEMBERS: Oh, oh.

Mr. CHEVRIER: —and I made no objection to the numerous questions that were put to me.

Mr. SPENCE (Parkdale): You had lots of time.

Mr. BENNETT: My friend may ask a question.

Mr. CHEVRIER: I thank the hon. gentleman for his courtesy, but not his followers.

Mr. BENNETT: I want to refer to the prospectus which was issued by the parties who are promoting this bill. My hon. friend from Bow River described it as a "brief", but he would have been nearer the fact had he termed it a prospectus. It is a statement of what might be expected from this enterprise in the event of the promoters being able to develop power.

Mr. PARENT: Nine o'clock.

On motion of Mr. Bennett the debate was adjourned.

SUPPLY

DEPARTMENT OF PUBLIC WORKS

The House in committee of supply, Mr. Johnston in the chair.

Public Works—harbours and rivers—British Columbia—$299,500.

Mr. BRADY: Mr. Chairman, I would like to call the attention of the government and

of the Minister of Public Works to some grave omissions with regard to the constituency of Skeena which I trust will be included in the supplementary estimates of this year. I have already brought some of these things to the notice of the minister and there are others to follow, but I would now ask that the minister give his careful consideration to some very pressing needs of that constituency. Port Simpson, which lies near Prince Rupert, is a federal port, and possesses a wharf which at this moment is in a serious state of disrepair; its state is precarious, and the residents of that town have urged me to present their case to the government for immediate consideration. I can say without exaggeration that there is a moral obligation on the government to safeguard the lives of the people who are using that wharf; the whole structure is decayed; there is danger of its collapse, and as it is used by all the incoming vessels, the Union boats as well as the large fishing boats, there is danger that at any moment loss of life may occur. I understand that the federal district engineer brought this pressing case to the attention of the government and urged that that wharf be reconstructed. I would tell the minister that he would be throwing money away if he spent it on the reconstruction of that wharf; a new wharf should be built.

The next case I would bring to his attention is that of Stewart wharf which, next to Vancouver and Prince Rupert, is the one wharf in British Columbia sadly in need of extension. Probably the minister knows more about its condition that I can hope to tell him, but I do say that I have seen hundreds of tons of ore on that wharf together with all kinds of material for the five or six large producing mines of that district. I have seen the Canadian National boats, the Canadian Pacific boats, the Union boats and the ore carriers from Anyox lying there, and at times it is almost impossible for anyone to even cross that wharf without being in danger. This matter I particularly refer to the minister.

Another place for which I desire to say a word is Bella Coola. On that wharf there is a little warehouse which is supposed to meet the needs of that valley which is an agricultural, mining and fishing centre. In this connection I want to say that I stood on the wharf a few months ago and opened the door of that little zinc or corrugated iron warehouse, which is sixteen feet by twenty-four feet in size, and found it full of a heterogeneous mass of commodities. I saw there gasoline, coal oil, flour, grain, groceries, potatoes, vegetables and fruit, and on the wharf outside were tons of commodities destined for that valley. It is not in reason that I should have to ask something of which the government itself will be the beneficiary; it is likewise in the interest of the government to facilitate the growth and development of trade in these places. The people of Skeena are not beggars; they are as big as the mountains, and they are not pleading for some little petty gift from the government. Whatever the government gives them they will give back ten-fold, yes a hundred fold, in the revenue which will be derived by this government.

I do not wish to take up too much time; we are anxious to get through these estimates, but I do wish to say one word about Atlin, which is in the northern part of my constituency. I wish hon. members of this House were able to look over that country and realize the greatness of the struggle and the vastness of the problems which beset those splendid people. All that I ask the government is to place in the supplementary estimates a paltry sum of not more than $5,000 and not less than $3,000, in order that the boulders in the Atlinto river, which drains the great Atlin lake, may be removed, giving an opportunity to small craft to ply from Atlin along Atlin lake, down the Atlinto river and into lake Taku, where the great Engineer mine is situated along with other wonderful mining properties.

Now, Sir, I do not even ask the government to send an engineer at great expense from Victoria up to Atlin. It is a big journey. Travelling by up-to-date Canadian boats, and passing through Alaska, it would take him from twelve to fourteen days even to reach the district. I have got here, Sir, the data of a resident engineer in Atlin, a man who is very well up in the matter of river improvements, and he authorizes me to assure the government that there is no need to send a federal engineer to Atlin; that if the government grant not less than three thousand and not more than five thousand for this work, facilities will be offered that will ameliorate to a great extent the character of transportation in Atlin. You may say I am too optimistic. I may be optimistic, but I maintain that neither the government nor anyone else can play with the lives of men and women—they are not pawns, they are pledges. I appeal with confidence to the Minister of Public Works and I know that he will see to it that these needs are carefully examined into. Then if my claims are based, as I think they are, on concrete facts, they will meet with the

approbation of the Minister of Pubic Works. I therefore urge the minister to give the utmost consideration to the district of the Skeena. It is to a great extent a maritime district. It is vast in extent, and wharves and other accommodation are an absolute necessity. If they are not provided there will be retrogression, there will be disappointment, there will be failure, and the government themselves will be the losers. Without saying any more on the subject, I leave the needs of the district with confidence in the hands of the minister, believing that the welfare of that country and the good of the people are far more important than the expenditure of a small amount of money.

Mr. GARDINER: I should like to ask the minister to state the nature of the improvements on the Fraser river.

Mr. ELLIOTT: These are but a continuation of works that have been going on along the Fraser river for some considerable time. The amount of $150,000 is asked to be provided towards the following improvements on the Fraser river:

Extension of Steveston north jetty..	$34,000
Construction of Steveston north dykes Nos. 2 and 3..	16,000
Annieville bar dyke..	62,000
Bank protection, Woodward's channel.	66,000

I may say for my hon. friend's information that during the season of 1926-27 the sum of $6,122 was expended on the completion of the dam at Woodward's slough. This dam was constructed during 1925-26 at a cost of $46,346.73. The reinforcement of the dam at Woodward's slough is being proceeded with during 1926-27 under contract with the Fraser Pile Driving Company, the amount of the contract being $35,998.72. The order in council, authorizing the acceptance of their tender, was passed on 1st December last. The district engineer reports in estimates for the current year that this extension to the north jetty forms part of the scheme of jetty control of the channel through the sandheads at the mouth of the Fraser river, and is wholly of a public nature, benefiting the whole of the Fraser river and Delta district. There has been quite a large expenditure for years along the Fraser river, and this is just a continuation of that work. I am told that we will not get the benefit of the expenditure that has already been made unless the work is completed. I may also say that the total expenditure on that jetty up to the present time since the year 1914 is $787,000.

Mr. GARDINER: I take it the reason of this work is to control the current.

Mr. ELLIOTT: To direct the current.

[Mr. Brady.]

Mr. GARDINER: After the work is completed will it be necessary to carry on any dredging in order to give the necessary depth to the channel?

Mr. ELLIOTT: It is to be hoped the channel will pretty well scour itself after this work is done, but that is something as to which one cannot be positive.

Mr. McQUARRIE: It is proposed to complete the jetty right out to deep water?

Mr. ELLIOTT: We intend to go out to such a point as will give the necessary facilities.

Mr. McQUARRIE: Does that mean the completion of the Le Baron scheme? The Minister has no doubt heard about the Le Baron scheme for the development of a channel at the mouth of the river. If the minister has not heard about it, I may tell him that some years ago the city of New Westminster retained the services of Mr. Le Baron, one of the greatest river engineers in the world.

Mr. ELLIOTT: I may say to my hon. friend that we are working along the lines of his suggestions, with such variations as are suggested from time to time by the engineers in charge, as the work proceeds.

Mr. McQUARRIE: The trouble is the work is not completed; it has been going on for a number of years. The scheme was placed before Sir Wilfrid Laurier in his time. It was adopted by him and he promised that it should be completed. In short the scheme was that a jetty should be constructed across the sandheads out to deep water. I think the distance was something like five miles. Although the scheme was adopted by Sir Wilfrid Laurier the principal part of the work was done under the Conservative administrations—notably when Sir Robert Borden was Prime Minister, and Hon. Robert Rogers Minister of Public Works—but up to date only about two and a half miles, or about one half of the distance, has been covered. I understand that under the present program it is the intention of the government to continue that jetty for another thousand yards or so. If I am not right on that point I should like to be corrected.

Mr. ELLIOTT: It is not thought that it will be necessary to go the whole distance, but apparently the work will have to be carried quite a piece farther before the results will be satisfactory.

Mr. McQUARRIE: That is where the trouble comes in. As I see it, and as all the authorities who have studied the question admit—that is to say, the engineers and

the men engaged in river work and who have been operating on the Fraser river for many years—it will be necessary, as Mr. Le Baron said, to complete the north jetty out to deep water. If that is not done your work cannot of course attain the object intended. If you go only two and a half or three miles, instead of five miles across the sandheads, the work will not be completed. Mr. Le Baron pointed out that it was necessary to complete the north jetty right out to deep water, and, he added, if this were done we should then have a channel which would be stationary, so to speak, and which would more or less scour itself. We should also obviate the necessity for further dredging of any consequence. If that did not prove to be the case, he went on to say, a jetty could be built on the other side of the channel and beyond question there would then be a channel which would be satisfactory for all purposes. The minister is no doubt aware that shipping on the Fraser river has increased very materially in the last few years. If he has not the figures I can give them to him.

Mr. ELLIOTT: I have them here.

Mr. McQUARRIE: They show that in 1914 the estimated registered net tonnage was 6,000, whereas in 1926 it had increased to 579,167 tons. I need not labour that point because no doubt the minister has been well informed regarding the enormous increase which has taken place in shipping. There are certain advantages which the Fraser river possesses as against salt water harbours. I suppose the minister is aware that the effect on deep sea ships coming into fresh water is very beneficial inasmuch as the fresh water removes the barnacles and other sea growths which attach themselves to the ships. The minister also knows, I am sure, that the Fraser river route offers many advantages in comparison with other harbours on the Pacific coast, particularly in the shipment of grain. In this my good friends from the prairies who a few years ago visited the Fraser river will bear me out.

The Fraser river is the most desirable route for the shipment of grain from Pacific ports. Our difficulty is that we have not a deep enough channel. It is true that the channel has been improved but it is not possible for ships to come in and load to full capacity. What does that mean? It means that those ships coming into the Fraser river must take partial cargoes instead of being fully loaded and they must go elsewhere to complete their cargoes. It is pretty well admitted that we must have a deeper channel than was at first contemplated. Our objective originally was thirty feet from New Westminster to the gulf, but it is now unquestioned that a depth of thirty-five feet is necessary for the reason that the depth of vessels has been increasing; and, if we are to handle the business offering, this increased depth must be made. We simply must have a thirty-five foot channel from New Westminster to the gulf. This has a bearing on the trade of the Canadian merchant marine, because it is not possible at the present time for the ships of the Canadian merchant marine to come into New Westminster and load to full capacity. There is considerable business at this point for the Canadian merchant marine.

There are other advantages to be considered. For instance, in the erection of elevators and so on, the cost of construction on the Fraser river is much less than it is in salt water harbours because it is not necessary to have the same protection against marine growths, so destructive to timber, such as are found in salt water. Then there is the question of the value of sites. Altogether there are a number of advantages with which I presume the minister is familiar, having no doubt studied the subject.

We have had to educate so many different ministers of public works, even during my time, because of the many changes there have been. I must say, however, that all ministers who have gone before the present incumbent of the office have shown a great interest in the Fraser river, and have always been willing to be shown. I am hopeful that the present minister will find it possible this year to visit the river and go over the situation himself. A personal visit from him would serve a better purpose than anything else. The Fraser river is fast becoming a very important avenue of shipping and one upon which I think we are justified in asking that an adequate expenditure be made. I have always objected to our doing the work more or less piecemeal. I have advocated from time to time that a contract or contracts be let for the construction of the work. Let us have at least a contract that will complete the work and give us a start with a proper channel from New Westminster to the gulf. I do not believe in the way in which this matter has been gone about. I have constantly placed before the department my views, which are backed up by practical men resident on the Fraser river. I have no doubt the minister sees the advisability of doing this work by contract. There are a good many works to look after on the river, and particularly is that the case in connection with the north arm, which has been neglected for years. I do not say that

this neglect has been at all intentional, because the dredges have been urgently required in the main channel and consequently have not been able to do the work required on the north arm. The works which were put in on the north arm at the cost of large sums have gone out of repair. There is plenty of work for the government dredges to do and I would suggest that the minister consider the advisability of letting this work by contract and cleaning up the job, so as to give the people out there a chance to conduct their business in a satisfactory way. The late Minister of Public Works, now Minister of Health (Mr. King, Kootenay), is quite familiar with the situation, and I am sure he will give his counsel and advice to the present minister. He is no doubt convinced that the work ought to be completed and done properly. The late minister did contend that it should be done gradually and in that regard there was a difference between him and myself. My opinion is that it should be done rapidly and that we should make a good job of it and clean up the whole thing. It is worth while, because the business is there to warrant it. There is no reason at all why the work should be done piecemeal. We used to be told that we must first show that we had the business before the work could be done. We have now shown that the business is there; it is knocking at our door and the time has come when the government should take up the Fraser river channel work energetically and carry it to completion in order to give the people there, who are trying to carry on under adverse circumstances, the opportunity to which they are entitled. We are not trying to compete with Vancouver harbour at all. They are two entirely different and distinct classes of harbour. Vancouver harbour, of course, is one of the most wonderful in the world for the purposes for which it is used, but so far as the industrial end is concerned, there is a reason why the Fraser river channel should be improved, and improved in an expeditious manner. I hope in addition to speaking to-night to have the opportunity of discussing this subject with the minister personally, and I am sure that he will give me an attentive hearing. I think he has already received a deputation from New Westminster during this session, who have urged upon him the claims of the Fraser river. This is not a political matter at all; there is no politics about it. It is a matter of business pure and simple. We should have that jetty completed right out to deep water without delay, and I would urge upon the minister as strongly as I can the necessity for getting away from this piecemeal program and for taking hold of this matter vigorously and finishing it up in accordance with Le Baron's report. He is still watching the works on the Fraser river. I had a letter from him, from Mississippi, a short time ago, in which he regretted very much that this jetty had not been completed, and he stated that he was confident that if the jetty was completed right out to deep water it would be satisfactory. The work, so far as it has gone, has been satisfactory. It has stood up well, and we have no complaints to make on that score. The only thing we do complain about is that the job has not been finished, and I urge upon the minister to get right down to business now and finish up that work, and then we shall have a good channel.

[Mr. McQuarrie.]

Mr. ELLIOTT: I might point out to my hon. friend that that is exactly the thing that the hon. member for Skeena and members from other parts of the country think should be done in their particular localities. I quite agree with my hon. friend that this is an important point. If it were not, the government would not have felt justified in expending, as they have done, nearly $900,000 on this particular project; that is, on the channel and the north arm together. While my hon. friend was speaking I checked up the figures of the expenditure on the Fraser river in the last five years, and it amounts to $899,831, so I think in view of that expenditure my hon. friend will agree with me that this work has proceeded very well during those years.

Of course, we would all like to be able to do all these things in one year, but it cannot be done. The demands upon the department are so great on account of the necessities in various parts of the country that it is quite impossible to proceed any more rapidly than we are doing. However, I appreciate the suggestions that my hon. friend has made, and I shall be glad to give the matter the most careful attention that it is capable of receiving. I may also say that I have had the benefit of the advice of my colleague the former Minister of Public Works, who quite agrees with what the hon. member for New Westminster has said with regard to the necessity of doing work upon the Fraser river, and just as rapidly as the funds can be obtained the work will be proceeded with to completion both here and at other points, taking first those that seem the most necessitous. I think that is all I can say. Opportunity seems to be knocking at the door in all these places to-day, and we

are all pleased that it is so. I can assure my hon. friend that the work in these various harbours will be proceeded with just as expeditiously as funds can be obtained.

Mr. McQUARRIE: Might I add one word? It is not a matter of spending money that appeals to us at all. It is a matter of obtaining results.

Mr. ELLIOTT: You have obtained results, judging by your trade.

Mr. McQUARRIE: We have to a certain extent, but just let me mention this to the minister as an illustration. The Grain Growers, the Saskatchewan Coöperative, and I think the pool too, had options on properties on the Fraser river for the purpose of constructing grain elevators, but they had to give them up because they were not satisfied that the work of deepening the channel was going to be done quickly enough for their purposes. Therefore they had to go into Vancouver, and what was the result? As the minister knows, Vancouver was unable to handle all the grain it could have had this last season, and an embargo had to be placed against grain going through western ports. If our channel on the Fraser river had been sufficiently deep, these large and influential concerns would have taken advantage of their options. As the minister knows, the grain that goes over the Canadian National to Vancouver goes first to New Westminster. The government already owns several satisfactory sites on the Fraser river suitable for the construction of grain elevators.

The minister has mentioned Skeena: I suppose he was referring to Prince Rupert. We have always contended that an elevator should have been built at Port Mann on property which the government already owned and still own to-day, but instead it was built at Prince Rupert. We hope it will be successful, but as a matter of fact that elevator was leased to the pool for $100 a year. That is the way the matter stands now. If a grain elevator had been built at Port Mann on the Fraser river it would have been used to its fullest capacity right from the start, and I think that statement will be backed up by hon. members to my left who have been out there and studied the situation. There is a great saving to be made by the Canadian National in shipping grain from the Fraser river. It amounts to something like $13 a car; that is the cost of taking a car from the Fraser river over to Vancouver. That amounts to about one cent a bushel extra freight, and that cent a bushel would be made by the Canadian National railway.

The only difficulty in establishing private elevators on the Fraser river is a question of the depth of the channel. There are no engineering difficulties involved, for the engineers have reported that it is quite feasible to construct a proper channel from New Westminster to the gulf. It is simply a matter of spending the money, and of taking hold and doing the work as expeditiously as possible. If you do that, you will save a lot of money. I am free to admit that many hundreds of thousands of dollars have been wasted on the Fraser river. I think the predecessor of the minister will agree with me in that. We want that waste stopped. We want the money which is expended on the Fraser river to count, and in my opinion it is not going to count if the work is to be continued in the same old way in which it has gone on for some years under various administrations. They have dredges there. One dredge in particular—the deputy minister will perhaps not agree with me in this—is simply throwing money away every day it operates. I refer to the dredge 303, formerly known as the Fruhling, a dredge that outlived its usefulness if it ever was useful. It cannot dredge and never could dredge in a satisfactory way. The King Edward is the right style of dredge, but is getting pretty old. I think the government should at least put on a new modern dredge of the King Edward type to help out with that work and do away with the 303. Junk it, if you like, if you cannot get anything for it, give it away and you will be ahead. I do not know that the department will entertain the suggestion in regard to getting rid of the dredge, because according to the records it does a lot of work. All I see is that it digs a hole and sucks the sand into its hold. It goes out into deep water dumps the sand and comes back and digs another hole, and the first hole does not fit in with the second hole. You have a series of holes but you have no channel. I have tried to impress upon various ministers that they should get rid of the 303 and give us a modern up-to-date dredge of the King Edward type.

Mr. LADNER: Does that item of $150,000 provide for necessary dredging on the north arm? There are certain conditions there, sandbars and fills, that will require attention very soon.

Mr. ELLIOTT: The figures that I have given make up the amount, and they do not provide for dredging on the north arm.

Mr. LADNER: Is there any general estimate that covers necessary dredging on the north arm?

Mr. ELLIOTT: There are the general estimates out of which probably the north arm will receive a share, but there is no special estimate for it.

Mr. LADNER: I urge very strongly the minister's attention to this. Many representations have been made to myself and I believe to the department. It is not a new enterprise, but it is taking care of existing needs for a very large industrial centre.

Mr. BARBER: How far up the Fraser river does that snagboat operate?

Mr. ELLIOTT: I understand it goes to the head of navigation, about Chilliwack, I fancy.

Harbours and rivers generally, $30,000.

Mr. ROSS (Kingston): I desire to draw the attention of the minister to a certain matter, but I do not know whether it should come under this item or under item 155. I refer to the condition of La Salle causeway, crossing the junction of the Rideau and Cataraqui rivers and lake Ontario. I think the deputy minister and the engineers will tell you this causeway is in a most disgraceful condition. It is almost impassable, although it forms a link in the highway between Montreal and Toronto. Is it proposed to have work done on this causeway so as to put it in proper condition? Any work done in the last number of years was done through patronage and has been a failure. If the minister would examine the few feet done at the entrance by the city of Kingston he would see that the work can be properly done, and if this causeway is to be repaired it should be taken in hand by the department, a proper amount of money expended and the proper method adopted to put it in a condition for passenger travel. If the minister would take his car up there he would be in great danger of smashing it or losing it. There will be a good deal of complaint this year if it gets in any worse condition than it was last fall.

Mr. ELLIOTT: I am advised that the condition as my hon. friend describes it does exist to a certain extent. I believe last year a small section was improved by the plant of the city of Kingston, but there is no question that, in common with many other places, it requires attention.

Mr. ROSS (Kingston): I think the minister or deputy will agree that the work should be done early if he is going to avoid accidents; because it is not a matter that affects one constituency, it is a part of the highway and is very important.

Item agreed to.

[Mr. Ladner.]

Dredging, $1,605,000.

Mr. ESLING: What portion of this vote for British Columbia will go to the West Kootenay district for dredging? We have dredgers constantly in operation after the high water, two of them in fact, one on the Columbia river and one on Kootenay lake. There is nothing here to indicate where the dredging is going to take place. I would not like to suggest that it might be owing to the indifference of the Minister of Health (Mr. King, Kootenay), but surely something should be done. It is a serious matter. In the vote that we passed the whole contribution to West Kootenay was something like $8,000. In the administration of that sum alone you have $10,000 in salaries, according to last year's estimates. Is any portion of this item for dredging to be expended on the Columbia river or has the Minister of Health failed to recommend it?

Mr. ELLIOTT: My hon. friend is quite in error if he thinks there is any part of British Columbia which the Minister of Health would desire to neglect. It is only a question of getting money enough to do the most urgent part of the work. This vote for dredging in British Columbia is fairly substantial, but is not too much in view of the number and importance of the harbours there. It is expended largely in operating the dredges and on such work as during the season appears to be most urgent.

Mr. ESLING: Our resident district engineer is as courteous and efficient as any member of the engineering staff in the Dominion. Repeatedly I have presented to him and to the Department of Public Works the complaints of people along the Columbia river of the constant erosion of the river bank and the loss of their land. They say it is by reason of insufficient dredging. One settler claims that during the last two years he has lost actually an acre of land from this cause. As I say, in the previous votes our total expenditures are only $8,000 and yet the salaries alone to administer that sum amount to $10,000. Are any of the expenses of the district engineer's office to be included in this vote for dredging? That may be one reason for the engineer's staff. Certainly it cannot be attributed to any repairs to wharves, for the simple reason that we have but three in all these estimates that are to receive attention along the Columbia river.

Mr. ELLIOTT: None of this vote goes towards keeping up the district engineer's office. The authorities are not unanimous as to what causes the erosion complained of, but usually the erosion is greater where dredging takes place.

Mr. ESLING: Precisely for the very reason that the authorities do not seem to be unanimous as to the cause of the erosion I would ask the minister to have particular attention paid to that portion of the Columbia river indicated in this vote as being below Burton, where there is a jetty. I know there is a difference of opinion between our district engineer and the department at Ottawa, but while this continues the man's land is being washed away.

Mr. ELLIOTT: A lot of land throughout the country is being eroded in the same way.

Mr. ESLING: I am not making any particular complaint against the department, but it is not very pleasant for a member to be continually in receipt of complaint from settlers. Naturally they look to their member to have these things remedied. I have brought their complaints to the attention of the department on more than one occasion. In view of the difference of opinion as to the cause of the erosion I would ask the minister to see if the real cause cannot be determined and the proper remedy applied so that there will be no further complaints.

Mr. ELLIOTT: I shall be very glad to have the matter looked into further with a view to finding the best possible solution for the trouble.

Mr. MacLAREN: Mr. Chairman, I notice that there is a vote of $547,000 for dredging in the maritime provinces. I hope the minister will be good enough to make a note of what I brought to his attention this afternoon so that some small portion of this money may be devoted to the harbour of—

Mr. ELLIOTT: Lorneville.

Mr. SMITH (Cumberland): Will the minister specify where the $500,000 is to be spent in the maritime provinces?

Mr ELLIOTT: There have been many suggestions as to how the money should be expended, and a number of places have been mentioned whose claims are imperative, for instance, Miramichi bay, Mabou harbour, Mabou bridge, Antigonish, Bathurst, Newport. Of course, as the season progresses the necessity for repairs will become apparent. It is impossible to say now where all the money will be expended.

Mr. MACDOUGALL: I am very pleased to hear from my hon. friend the minister that it is the intention of the government to do some very urgent dredging at Mabou harbour in my county. I refrained from discussing this when the estimates were under consideration because I had taken it up with him personally and also had sent some very strong recommendations to the department. May I ask, however, how much dredging will be done and to what depth? I understand that the present depth is about ten feet. The Mabou Coal and Gypsum Company that is operating there require a depth of about twenty feet to enable them to use boats of 5,000 tons capacity.

Mr. ELLIOTT: The intention is to take out about 114,000 yards scow measure, I understand that that will give a depth of about eighteen feet.

Mr. MACDOUGALL: It would be, then substantially the program outlined in the minister's letter to me?

Mr. ELLIOTT: I have no doubt that that will be followed fairly closely.

Mr. KENNEDY: Where is the dredging to be done in Manitoba, Saskatchewan and Alberta?

Mr. ELLIOTT: This amount is required to provide for the operation and maintenance of the dredging plants in Manitoba, Saskatchewan and Alberta and for dredging to be performed by day labour or private agreement. Dredge No. 202 and the dredge Winnipegosis will operate on the Red river along with the tug Mossy River and the Vaughan; most of the dredging will be done on the Red river in Manitoba. There is not much dredging being done in Saskatchewan this year.

Mr. ROBINSON: In the absence of the hon. member for East Essex (Mr. Odette) I would ask the minister if any portion of this appropriation for dredging in Quebec and Ontario will be spent on that most important harbour on the south shore of lake St. Clair, namely Belle river, which I may say is filled up with silt at present?

Mr. ELLIOTT: That important harbour was under discussion this afternoon; I do not know whether my hon. friend was in the House. So far as I am aware there is no decision at present to do any work at Belle river this year.

Mr. ROWE: Could the minister tell us approximately what portion of that amount will be given to each of the two provinces?

Mr. SHORT: I would ask the minister if this item for dredging in the maritime provinces is to be expended entirely on work to be done by government dredges, or whether private contracts may be let?

Mr. ELLIOTT: The work will be done mostly by government dredges.

Mr. SHORT: Then I presume it will be allotted as the district engineers send in their reports?

Mr. ELLIOTT: Yes, but the decisions will be made here as to which places they shall operate in, having regard to the reports we receive.

Mr. SHORT: I hope the minister will not lose sight of the fact that there are a number of places where dredging is urgently required. They include Anderson's cove, Battery point in Annapolis county, the Racquette at Digby harbour, and Westport in Digby county. I trust that when the reports of the engineers are received, these matters will receive consideration. I find that they are overlooked if we do not call the attention of the department to them quite often.

Mr. ELLIOTT: I am obliged to my friend for mentioning these places, although I do not recall that the present reports name these particular points. I shall be glad to give them careful consideration.

Mr. SHORT: Is the list from the district engineers already complete?

Mr. ELLIOTT: There are reports in from the engineers, but I do not recall any immediate requests having been received from the places mentioned.

Mr. SHORT: I can quite understand that these things could not all be kept in the minister's mind.

Mr. KELLNER: I would like to ask the minister if it is intended the dredging will be carried on at Lamont, Alberta, where I believe $20,000 has already been spent, and where there is a dredge at the moment. Estimates covering this work have been included in previous years, and I would like to know if it is proposed to finish the dredging?

Mr. ELLIOTT: Nothing definite has been decided about that matter; the dredge there is laid up at present, of course, and whether it will proceed with further dredging this year has not yet been settled.

Mr. GARDINER: Would the minister say if this vote for Ontario and Quebec, or any portion of it, is to be used in deepening the channel between Quebec and Montreal, and if so what amount will be so used?

[Mr. Rowe.]

Mr. ELLIOTT: No, this amount does not apply to that at all. My friend will notice that this is exactly the same amount as was voted last year for this purpose. The amounts nearly correspond, and this is the annual vote for this purpose.

Mr. GARDINER: The work of deepening that channel would come under the Department of Marine and Fisheries?

Mr. ELLIOTT: Yes.

Mr. ROWE: I would like the minister to tell us at what points in Ontario the chief expenditures of this vote are to be made?

Mr. ELLIOTT: The places mentioned particularly are Amherst harbour, Amherst, Grindstone, Pointe Basse, Saguenay River, Port Burwell, St. Ours, Colonie des Greves, St. Sulpice, St. Jeanne, Beauharnois, Caughnawaga, Grosse Ile, Barachois de Malbaie, Anse à Beaufils, Ste. Adelaide de Pabos, Thames River, Harricana River, Trois Pistoles, Pembroke, Point Edward, Port Hope, Stokes Bay, Sydenham River, Wilson Channel, Cabano, Kinojevis River, Rivière du Loup, River Yamaska, Baie La Valliere, Vercheres, Petite Riviere St. Francois.

Mr. MACDONALD (Richmond): How much of this $540,000 is to be expended in the constituency of Richmond-West Cape Breton during the coming year, and at what points?

Mr. ELLIOTT: It is not set out by constituencies, but perhaps I can give my friend something which will serve. There is North Sydney, C.N.R. Wharf, Birks Head, McLean cove, and Glace Bay.

Mr. MACDONALD (Richmond): I notice that one of the items mentioned is in the constituency of Richmond-West Cape Breton. I should like to bring to the attention of the minister, as I have done on a former occasion, that contracts have been let for dredging in the constituency within the last year and a half and the work has not been completed. After expending a thousand, or two or three thousand dollars, the contract was dropped, and the vote has been allowed to lapse. I wish to ascertain definitely if it is the intention of the government to complete the work commenced at Petite de Grat one of the most important fishing centres probably in the whole province of Nova Scotia.

Mr. ELLIOTT: I understand the place to which my hon. friend refers is the place where the contractors lost a dredge. I am informed the work there is difficult work. Nothing has been definitely decided as to the expenditure at that point for the coming season.

Mr. MACDONALD (Richmond): I might point out to the minister that the dredging was being done inside the harbour and the dredge could not have been lost at that point. I know the dredge was removed from the vicinity shortly after the election. I should like to know why the dredge was taken away from that particular point. An item of some $30,000 was in the estimates in 1925, but the vote has been allowed to lapse. I would remind the minister that this is a very important fishing section, and it is imperative that the work there should be completed.

The CHAIRMAN: Shall the resolution carry?

Mr. MACDONALD (Richmond): Before the resolution carries I should like to get a more definite answer from the minister, because the people of that district were led to believe that the government had voted the sum of $30,000 of public money to assist the local fishermen. It is a fine fishing district, and it was understood that this money was to be expended in opening one of the entrances to the harbour. The people at that point supported this government on the strength of the benefits they were to derive from this expenditure. I wish to get some definite statement from the minister as to what his intentions are in that regard.

Mr. ELLIOTT: The information I have indicates that a contract was awarded but the contractor gave up the contract; he was unable to complete it. Attempts have since been made to let contracts for the work there but they have not been successful. There is nothing definite as to what the program is to be for this year. That is all the information I can give my hon. friend.

Mr. MACDONALD (Richmond): Is it intended to complete the dredging at L'Archeveque, which was begun about the same time but has since been dropped? A large sum of money was voted for this purpose, but it remains unexpended. A certain amount of work was done there, and the people of the neighbourhood were led to believe that the harbour was to be dredged so that the fishermen might be in a position to carry on fishing operations in the fall. Will the minister be good enough to inform me what the government's intentions are with respect to L'Archeveque harbour?

Mr. ELLIOTT: I am told the last named place is in the same category as the place which my hon. friend mentioned previously. The same company had the contract. First of all government dredges were worked there for a season or two, but they did not make progress that was at all satisfactory in the estimation of the residents of the district, or of the government. Then the suggestion was made that a contract should be awarded, and a contract was given to the company in question. The work was completed in neither place, and there is no decision at present as to what will be done during the coming season.

Mr. MACDONALD (Richmond): Is it the intention of the government to again call for tenders previous to the next election, say two or three years hence?

Item agreed to.

Telegraph and telephone lines— Nova Scotia—Cape Breton Telegraph and Telephone lines—general repairs and improvements	$9,800
Telegraph line from Little Narrows to Ottawa Brook	515

Mr. MACDONALD (Richmond): I understand that a petition was sent in asking that a certain line be built from the town of Louisburg into Little Lorraine. Is it the intention of the government to carry out that extension?

Mr. ELLIOTT: There has been no decision in that matter. It is still under investigation.

Mr. MACDONALD (Richmond): May I say that this district is one of the most important sections along that line? The people down there are three or four miles away from a telephone or any convenience of that nature, and if this extension were made it would be of great benefit to them. I would urge upon the government to have this extension built at the earliest possible moment.

Item agreed to.

British Columbia— Mainland telegraph and telephone lines—general repairs and improvements	$16,800
British Columbia northern district—general repairs and improvements	8,100
Vancouver island district—general repairs and improvements	5,500
Vancouver island district—purchase of cable	10,000

Mr. ESLING: On Kootenay lake we have a mining operation which provides a very large payroll and a community of perhaps two hundred people. It has been conducting operations for several years and the property is successful. It is proposed to extend these operations. The community is situated on the banks of the Kootenay lake and there is not a road nor even a trail from it in any direction. The only means of access to the outside world is by rowboat or launch if you

happen to have one. For two years I have been asking the department to provide telephone connection with that section. As was indicated in my communication to the department, such connection could be made at a cost of $4,000 or $5,000 covering a distance of not more than five miles. So keen have been the operators of the mine to secure that connection that they were even willing to contribute towards the cost of erecting the poles. Just imagine a case of sickness or accident calling for the services of a physician: before a doctor could be reached somebody would have to row three or four miles across the lake and then telephone to the nearest town or city where a physician could be had. Certainly it is unreasonable. The estimates this year provide for a total expenditure of $354,000,000. Now the government is anxious to have the mineral areas of British Columbia developed and is inviting people to come to the country and settle on the land, yet it does not seem disposed to provide them with the ordinary necessities of life so far as accommodation is concerned. I do not blame the present minister, because these estimates were passed on to him and he has not had time to review the situation. In connection with the Nova Scotia vote, I noticed the other evening that the Minister of Finance gave an hon. member from that province the assurance that if the minister from his province recommended a certain vote of $60,000, omitted from the estimates, he, the Minister of Finance, would see that it was included. Here I have had this application before the department for two years and nothing has been done. It is evident that our minister from British Columbia does not recommend it. He cannot get away from the fact that a request is on file in the office. This might be a life or death matter for somebody working in the mine, and only between $4,000 and $5,000 is involved. A dozen miners might suddenly require the services of a physician, and yet for the sake of a few thousand dollars the government neglects to give us the accommodation asked for. I repeat, it is altogether unreasonable, and I do not blame anyone but the minister from British Columbia who has neglected to make the necessary recommendation. I appeal to the justice of the present Minister of Public Works to see that this $4,000 or $5,000 out of a total of $354,000,000 is devoted to this telephone connection so urgently needed at Riondel. The minister could very well apply to telephone lines the policy of the department in relation to public buildings. He said the other night that it was the policy to erect public buildings where the accommodation was inadequate or where the necessity was urgent. Here there is no accommodation at all and certainly it must be admitted that the necessity is urgent. That being so, I again appeal to the minister to see that the line is constructed this year.

Mr. FRASER: Does this vote for mainland telegraph and telephone lines include the Yukon system?

Mr. ELLIOTT: No.

Mr. FRASER: Where are the principal lines that are maintained by this vote?

Mr. ELLIOTT: In the following sections: Kamloops; Barriere; Merritt; Chase-Revelstoke; Vernon; Penticton; Princeton; Arrow Lakes; Creston; Golden-Invermere.

Item agreed to.

Miscellaneous, $1,002,200.

Mr. GARDINER: What is the explanation of the $100,000 vote for the maintenance and operation of water storage dams on Ottawa river?

Mr. ELLIOTT: This amount of $100,000 is required for the maintenance and operation of dams and sluiceways at points on the Ottawa river and its tributaries. The object is to store the spring floods and augment the low water flow, thus equalizing the run-off of the Ottawa valley throughout the year. This also necessitates the purchase of lands damaged by maintaining reservoir surfaces at high stage during summer and autumn.

1. Maintenance and operation of Temiskaming dam	$ 8,800
2. Maintenance and operation of Quinze dam	9,000
3. Towards construction of stone fill for repairs to apron, etc., on the Ontario side of Temiskaming dam, to offset erosion	267,010
4. To repair concrete piers in Quinze dam	4,000
5. To renew glance boom above Quinze dam	4,900
6. To pay land damages and other claims in connection with storage, Ottawa river	4,000
7. Bank protection at Young's creek	2,250
	$100,000

Mr. GARDINER: There is an item in this vote for the national monument on Connaught Place. What progress is being made with this monument?

Mr. ELLIOTT: The artist is still working on it, and I understand it will be a couple of years yet before it is completed.

Mr. GARDINER: This is a progress estimate?

Mr. ELLIOTT: Yes.

Mr. WOODSWORTH: A year ago I protested against such a monument. There is no need for monuments of this character, seeing that we have a memorial tower that might be considered sufficient. We have already, I think, quite sufficient monuments in commemoration of the war. We are shouldered with a huge national debt which absorbs half our revenues and there are a large number of soldiers who are not being adequately cared for. There are any number of reminders of the war and of its futility and I cannot see any necessity for spending money on still another. If we must have a monument of this character it should be one bringing out very distinctly the horrors and the uselessness of war rather than in any way glorifying war. I take this opportunity of voicing this protest and I know that similar protests are in the minds of people throughout the country, at least in western Canada.

Item agreed to.

Collection of public works revenue, $4,000.

Mr. GARDINER: I have a question to ask regarding these statutory items. Is this an annual contribution made by the Dominion government?

Mr. ELLIOTT: These are provided for by the Dry Dock Subsidies Act.

Item agreed to.

Champlain graving dock..	$ 82,000
Lorne graving dock..	46,000
Esquimalt graving dock..	19,000
Esquimalt, Songhees graving dock.. .	58,100

Mr. GARDINER: Are these all Dominion government dry docks?

Mr. ELLIOTT: Yes.

Item agreed to.

St. Andrew's rapids—lock and dam, $20,000.

Mr. WOODSWORTH: Would the minister state what work is being carried on there?

Mr. ELLIOTT: This amount is required for the annual operating costs of the lock and dam at St. Andrew's rapids.

Item agreed to.

Telegraph and telephone lines, $803,200.

Mr. GARDINER: Would the minister explain this vote?

Mr. ELLIOTT: This amount is required for the operation of the telegraph and telephone lines operated by the government.

Mr. GARDINER: Have you any record of the income from these properties?

Mr. ELLIOTT: Yes. Has my hon. friend any particular one in mind?

Mr. GARDINER: You have not the figures lumped?

Mr. ELLIOTT: No.

Mr. GARDINER: Perhaps the minister could give an estimate.

Mr. ELLIOTT: The revenue from the British Columbia mainland line is as follows: 1922-23, $69,000; 1923-24, $73,731; 1924-25, $74,888; 1925-26, $77,934; and the estimated revenue for this year is $77,934.

Mr. FRASER: What is the revenue from the Yukon line?

Mr. ELLIOTT: It is as follows: 1920-21, $133,276; 1921-22, $108,254; 1922-23, $99,943; 1923-24, $94,776; 1924-25, $99,642; 1925-26, $89,563.

Item agreed to.

Ottawa—new departmental building, $500,000.

Mr. GARDINER: Would the minister give an explanation of this item?

Mr. ELLIOTT: The amount of $500,000 is required to make a start on the departmental building to house the various departments of the public service in the city of Ottawa.

Mr. GARDINER: How far will $500,000 go?

Mr. ELLIOTT: It is estimated that the building will take four or five years to complete, and this amount will probably provide one-fifth of the total cost of the building.

Mr. GARDINER: Has any contract been let?

Mr. ELLIOTT: No.

Mr. GARDINER: It is only an estimate?

Mr. ELLIOTT: Yes.

Item agreed to.

Ottawa—parliament building, $175,000.

Mr. GARDINER: What is required to be done here?

Mr. ELLIOTT: There is an annual expenditure on that part of the building that is not completed. This is mostly for the tower and the carillon.

Item agreed to.

Ottawa—expropriation of properties between Sparks and Wellington streets, east of Elgin street, $600,000.

Mr. GARDINER: Are expropriation proceedings being taken at the present time, or is there any arbitration going on in connection with these properties?

Mr. ELLIOTT: Notice of expropriation was served on April 24th of last year. Since that time there have been negotiations with the owners, but no proceedings have been instituted in the Exchequer court as yet.

Mr. GARDINER: Will it finally go before the Exchequer court?

Mr. ELLIOTT: In all probability, unless satisfactory prices can be obtained from the owners.

Mr. GARDINER: Has the government placed any valuation on these properties?

Mr. ELLIOTT: Yes.

Item agreed to.

Sorel—harbour improvements, $200,000.

Mr. GARDINER: In connection with this and the other items in vote No. 131, this afternoon we passed several items for harbour and river improvements. How is it they are not all included in one vote?

Mr. ELLIOTT: This is required towards the development of the port of Sorel, in order to provide for ocean going vessels. It is to make Sorel an ocean port for the eastern townships.

Item agreed to.

St. John harbour—improvements, $185,000.

Mr. BELL (St. John): What does this represent?

Mr. ELLIOTT: The memorandum with regard to this work reads:

Courtenay bay—to complete the contract with the St. John Dry Dock and Shipbuilding Company..	$85,000
General maintenance of harbour works, renewing shed roofs, floors and so on, renewing decayed timbers in wharves, grain conveyors, and so on.	52,600
West St. John—maintenance dredging of deep water berth..	25,000
Partridge island—wharf repairs.. ..	4,200
Fort Dufferin—repairs to breastworks	5,000
Staff inspection and so on..	13,200

Making a total of $185,000.

Item agreed to.

Public Works—salaries; $637,385; contingencies, $75,000.

Mr. GARDINER: How much of the contingent account was spent last year?

[Mr. Elliott.]

Mr. ELLIOTT: It appears from page 100 of the Estimates that it was all spent. The amounts asked are the same as last year, and I am advised it is all spent.

Mr. GARDINER: What is due to contingencies under this vote?

Mr. ELLIOTT: Printing and stationery, travelling expenses, clerical and other services, and temporary services.

Item agreed to.

DEPARTMENT OF AGRICULTURE

Agriculture—dairying, including grant of $5,000 to the National Dairy Council, $242,000.

Hon. W. R. MOTHERWELL (Minister of Agriculture): This vote is identical with the one passed last year, and we had a very full discussion on it. I thought it possible the committee might look with favour upon it, and let it go through. The season we have just passed through has been in some respects quite favourable, so far as pasture and fodder is concerned, but on account of the lateness of the season and the inclement weather last fall the butter and cheese production was less. Aside from the increased dairy production in the west, the greatest point of interest was the introduction of a new standardized 56 pound butter box. This is an improvement on the old container for export butter, and I think will be accepted by the trade generally. The adoption of this box was preceded by conferences between the box manufacturers, the manufacturers of butter and the producers generally. I think it will go into use without any particular friction or upheaval in the trade. With regard to the item of $5,000 for the National Dairy Council, we went into the personnel of that council a year ago. The work is the same this year but the officers have been changed. Mr. Stonehouse, the former president, died last year and Mr. D'Arcy Scott, the late secretary, also died last fall, and their places have been filled by Mr. Joseph Caulder of Regina and W. T. Stephens of Huntingdon, Quebec. Among other activities, their work more recently consisted in interviewing the authorities at Washington in connection with the Lenroot-Tabor bill, and they succeeded in bringing about some modification of the provisions of the bill that were adverse to the dairying interests of Canada.

Item agreed to.

DEPARTMENT OF HEALTH

Health—the administration of the acts respecting food and drugs, honey, maple products, opium and narcotic drugs and proprietary or patent medicines, $120,800.

Hon. J. H. KING (Minister of Health): There is an increase of $25,000 over the vote

of last year. This vote is understood to provide for the administration of the acts respecting food and drugs, honey, maple products, opium and narcotic drugs and proprietary or patent medicines. The $15,000 of the increase, or part of it is for investigation in connection with the international traffic in narcotic drugs between Canada and United States under the terms of the international treaty. It was found last year that we required to ask for a governor general's warrant and a supplementary vote of $10,000. The additional increase of $10,000 is to make provision for establishing and equipping a sub-laboratory at Toronto, in addition to our laboratories at Ottawa, Vancouver, Winnipeg, Halifax and Montreal.

Item agreed to.

Pollution of inland waters, $9,000.

Mr. GARDINER: What sort of organization could be put into existence for $9,000?

Mr. KING (Kootenay): We have a chief sanitary inspector whom we are making permanent this year at $3,600, a part time assistant at $1,000, the traveling expenses represent $1,800 and our coöperation with the provincial department of health in collecting water samples from the steamships for analysis requires $2,600, making a total of $9,000. This work is carried on in conjunction with the provincial authorities, and also under an international agreement between the United States and Canada, which relates more particularly to work on the great lakes and the St. Lawrence river.

Item agreed to.

Marine hospitals, including burial expenses of destitute deceased mariners and grants to institutions assisting sailors, $190,000.

Mr. GARDINER: What was the expense of this department last year?

Mr. KING (Kootenay): It amounted to $139,998.

Mr. GARDINER: Why the increase?

Mr. SIMPSON: Is the increase due to higher funeral expenses?

Mr. KING (Kootenay): It is estimated that the amount required this year will be $190,000. There is $25,000 needed to cover payments made last year.

Item agreed to.

Immigration medical inspection, $160,000.

Mr. MANION: I would suggest that the minister let this item stand for the moment.

Mr. KING (Kootenay): I have no objection.

Mr. MANION: It is something that we will wish to discuss.

Item stands.

Venereal diseases, $100,000.

Mr. WOODSWORTH: Mr. Chairman, I think it is very unfortunate indeed that this grant should be cut down. Last year a deputation representing all sections of the House waited upon the Prime Minister and asked for a larger sum. I cannot see why such an important item should receive this scant attention at the hands of the government. I notice that the total to be spent for the health of the people is only $600,000. On the preceding page the vote for health of animals is over $2,000,000. It is absurd to spend $2,000,000 for that purpose and only half a million dollars in caring for the health of the people. I think the minister ought to explain the reason for the reduction.

Mr. KING (Kootenay): Mr. Chairman, this expenditure was undertaken some years ago by way of annual grants to the provinces in order to develop clinics to take care of the conditions indicated by this item. A number of clinics have been established throughout Canada, fifty in all. I am informed that if this grant is stabilized at $100,000 it will probably be sufficient to meet the requirements of the provinces.

Mr. MANION: May I suggest to the minister, in order to save time, that as some members wish to discuss this and the other item that I referred to, he might let this stand also?

Mr. KING (Kootenay): Yes.

Item stands.

Mr. HEAPS: Do I understand that this vote is held over?

Mr. KING (Kootenay): It stands.

Health—salaries, $174,425; Contingencies, including members of the Dominion Council of Health, or substitutes for the chief provincial health officers and $179.90 incurred by Dr. H. Orr of Edmonton, Alta., in coming to Ottawa as substitute in July, 1926, $60,000.

Mr. GARDINER: Mr. Chairman, are the new rules in operation? It is eleven o'clock.

Some hon. MEMBERS: Not yet.

Item agreed to.

Civil Government—Railways and Canals—salaries, including E. E. Pelletier, messenger to minister, at $1,600 per annum, who shall be entitled to all the benefits and privileges under The Civil Service Superannuation Act, 1924, as

if he had been a civil servant who had elected pursuant to the provisions of part IV of the act, to become a contributor under the act, $248,490; contingencies, $38,000.

Mr. GUTHRIE: We will have to have some explanation of this item?

Mr. DUNNING: This is all the permanent civil service, of course. The one exception, Mr. Pelletier, is a very difficult case. He has served for thirty or forty years in the capacity of messenger to every succeeding minister of railways and due to a succession of awkward circumstances he is not under the Superannuation Act. This is designed to give him the opportunity of coming under that act. He is not yet at the supperannuation age and will contribute from this time onward. I feel sure that every minister of railways and anyone else who had anything to do with this particular man will realize the justice of giving him this opportunity. He was in the employ of the Intercolonial Railway for a long time and consequently is not under the provisions of the ordinary act.

Mr. GUTHRIE: Would the minister explain the thirteen increases in his department?

Mr. DUNNING: I have not the documents here, but I may say no actual increases are involved. Salaries which were carried under other votes previously are now put into their proper place under civil government. In other votes my hon. friends will notice decreases which are accounted for by this increase.

Mr. MANION: Will the minister promise to tell us of those decreases when we come to them?

Mr. DUNNING: I will.

Mr. GUTHRIE: If the minister will turn to page 101 of the estimates he will find that last year the salaries in his department amounted to $222,155, while this year they amount to $248,490; the number of employees last year was 93 and this year it is 106, so apparently there is an increase of 13 in the number of employees and of $26,000 in the salaries, part of which I suppose is statutory. What are these additional thirteen employees?

Mr. DUNNING: I am afraid I did not make myself clear. Other votes already covered salaries which should be under civil government, and these salaries are now transferred to civil government where they properly belong.

Mr. STEVENS: Then there is no actual increase?

Mr. DUNNING: There may be an increase of one or two; I am sorry I have not my documents with me, but there is nothing like an increase of thirteen. The real reason for the increase is the transfer of salaries from other votes to civil government. But if there is any objection I shall be glad to let the vote stand until I have the information available or I will give the detailed explanation on the other votes as the hon. member for Fort William (Mr. Manion) suggests. I really was not prepared to go on to-night, as I think everyone will recognize; I have not the documents before me, but I remember checking up when the estimates were submitted to me and this is really a transfer of salaries from other votes to civil government, where it is considered they properly belong.

Mr. GUTHRIE: I remember last year and the year before we had from other ministers the same explanation, but you can take the estimates year by year and take the number of civil servants drawing their salaries from the government and find an increase every year. There is nothing in the estimates to show these decreases of which the minister has spoken. That statement would apply to every one of the last five years; there has been a gradual increase in the civil service, and I doubt if there is any new business to warrant it. The invariable explanation given by the government is that these increases are apparent rather than real and that in some other branch of the service there have been some changing or switching or rearrangement of some kind, which has not involved any more money. Every year, however, the salary list shows an increase and the number of officials increases as well.

Mr. DUNNING: I can only repeat what I said previously, but I have found one vote, item 127 on page 30 of the estimates, "Surveys and inspections—canals, including salaries and expenses of experts employed temporarily." Last year that item amounted to $20,000 while this year only $13,000 is asked, and I know the reason is because of the transfer of some salaries formerly chargeable to that vote to the civil government, where they properly belong. There are other votes in connection with which the same thing applies, but I do not have them at hand at the moment. As I said before, I am willing to allow the vote to stand over if it is so desired, because I appreciate the committee is entitled to all the information it is possible to give.

Item agreed to.

Progress reported.

On motion of Mr. Mackenzie King the House adjourned at 11.10 p.m.

Wednesday, March 23, 1927.

The House met at three o'clock.

REPORTS OF COMMITTEES

Second report of the select standing committee on agriculture and colonization.—Mr. Kay.

Fourth report of the select standing committee on railways, canals and telegraph lines. —Mr. Young (Saskatoon).

GEORGIAN BAY CANAL

Mr. SPEAKER: I have the honour to inform the House that I have received a letter from the city clerk of the city of Ottawa, containing a resolution of the council in opposition to the Georgian bay canal bill.

PETITION OF ARTHUR J. EVANS

Mr. J. H. HARRIS (Toronto-Scarborough) moved:

That the petition of Arthur J. Evans, of the township of Esquesing, province of Ontario, farmer, praying for the passage of an act to declare his marriage with Mabel Evans of the township of Esquesing, province of Ontario, to be dissolved, and that he be divorced from her, and the report of the clerk of petitions hereon be referred to the select standing committee on standing orders, pursuant to the provisions of rule 88.

Mr. LAPOINTE: Explain.

Mr. HARRIS: I may say that the original petition was in error sent to the Department of the Secretary of State. When it finally found its way to the House of Commons it was too late to proceed with the petition. I should like to have the petition go to the standing orders committee in order that it may be properly dealt with there.

Motion agreed to.

PRIVATE BILLS

FIRST READINGS

Bill No. 179 (from the Senate), for the relief of Helen Pettit Bruce.—Mr. Young (Toronto Northeast).

Bill No. 180 (from the Senate), for the relief of Hugh Devlin.—Mr. Pettit.

Bill No. 181 (from the Senate), for the relief of Charles Wilson.—Mr. Kaiser.

Bill No. 182 (from the Senate), for the relief of Josephine Rae Ennis.—Mr. Ladner.

Bill No. 183 (from the Senate), for the relief of Della Laurel Cox.—Mr. Kaiser.

Bill No. 184 (from the Senate), for the relief of Rose Glucksberg.—Mr. Heaps.

Bill No. 185 (from the Senate), for the relief of Murray Richard Minler.—Mr. Speakman.

Bill No. 186 (from the Senate), for the relief of John Leslie MacLellan.—Mr. Casselman.

Bill No. 187 (from the Senate), for the relief of Elizabeth Brown.—Mr. Geary.

Bill No. 188 (from the Senate), for the relief of Matilda Emily Cantrell.—Mr. Young (Toronto Northeast).

Bill No. 189 (from the Senate), for the relief of Mary Ellen Walker.—Mr. Hocken.

Bill No. 190 (from the Senate), for the relief of Edwin Walter Wood.—Mr. Matthews.

Bill No. 191 (from the Senate), for the relief of Harriett Robinson.—Mr. Anderson (Toronto-High Park).

Bill No. 192 (from the Senate), for the relief of Homera Emilie Hodgson.—Mr. Garland (Carleton).

Bill No. 193 (from the Senate), for the relief of Paul Elester Scarr.—Mr. Luchkovich.

Bill No. 194 (from the Senate), for the relief of Ronald Lorne Johnston.—Mr. Goodison.

Bill No. 195 (from the Senate), for the relief of Eva O'Neill.—Mr. Garland (Carleton).

Bill No. 196 (from the Senate), for the relief of Mabel Beatrice Nash.—Mr. Edwards (Ottawa).

Bill No. 197 (from the Senate), for the relief of Isabella Emily Blue.—Mr. McGregor.

Bill No. 198 (from the Senate), for the relief of Cherie Amy Aston.—Mr. Preston.

Bill No. 199 (from the Senate), for the relief of Ida Gertrude LeFevre.—Mr. Spence (Parkdale).

Bill No. 200 (from the Senate), for the relief of Inez Mary Pitcher.—Mr. Garland (Carleton).

Bill No. 201 (from the Senate), for the relief of Charles Murray Mutch.—Mr. Arthurs.

Bill No. 202 (from the Senate), for the relief of Estelle Henrietta Cartwright.—Mr. Casselman.

Bill No. 203 (from the Senate), for the relief of Ronald Ross File.—Mr. Lennox.

Bill No. 204 (from the Senate), for the relief of Grace Mantle.—Mr. Church.

Bill No. 205 (from the Senate), for the relief of Emma May Ryan.—Mr. Arthurs.

Bill No. 206 (from the Senate), for the relief of Muriel Martha Hammond.—Mr. Ryckman.

Bill No. 207 (from the Senate), for the relief of Anna Mae Francis.—Mr. Tummon.

Bill No. 208 (from the Senate), for the relief of Harold James Hubbard.—Mr. Spence (Parkdale).

Bill No. 209 (from the Senate), for the relief of Indiaetta Muriel Taylor.—Mr. Lennox.

Bill No. 210 (from the Senate), for the relief of William Arthur Dillabough.—Mr. Anderson (Toronto-High Park).

Bill No. 211 (from the Senate), for the relief of James Alfred McCabe.—Mr. Casselman.

Bill No. 212 (from the Senate), for the relief of Frederick George Jones.—Mr. Church.

Bill No. 213 (from the Senate), for the relief of Manford York.—Mr. Harris.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

RELIEF TO FAMILIES OF PRISONERS

Mr. ADSHEAD:

Is the government considering, or will they consider, any plan either by the Dominion alone or in coöperation with the provinces, whereby relief may be granted to the wives and families of prisoners, or of having whatever the prisoners may earn, forwarded to the families of prisoners, to keep them from suffering and destitution?

Hon. Mr. LAPOINTE: The matter is under consideration.

CANADIAN NATIONAL RAILWAYS—PRINCE EDWARD ISLAND

Mr. MACDONALD (Kings):

1. Is it the intention of the government to continue standardization work on the Prince Edward Island section of the Canadian National railways?

2. Will this work be undertaken on the remaining narrow gauge lines during the present year?

3. At what time is it expected to have the Murray Harbour branch changed to standard gauge?

Hon. Mr. DUNNING: The question of capital expenditure on the Prince Edward Island railway was dealt with by the Duncan report, which recommended that a survey be made of the situation with a view to provision for necessary improvements. The entire situation in that regard is under investigation at the present time by the Canadian National railway management.

SHEDIAC ISLAND POST OFFICE

Mr. PRICE:

1. Has Francois Fougere, postmaster of Shediac island, Westmorland county, New Brunswick, been dismissed?

2. If so, what was the charge and by whom laid?

3. Was an investigation held, witnesses called, and who acted as commissioner for taking the evidence?

Hon. Mr. VENIOT:

1. François Fougère was never postmaster at Shediac island. A Mrs. Frank A. Fougère was in temporary charge of Shediac island post office from the 8th October, 1925, to the 30th June, 1926, the date on which a regularly appointed postmaster was placed in charge.

2 and 3. See 1.

AIR SERVICE

Mr. BARBER:

1. How many air force stations have we in Canada?

2. Where are they located?

3. How many seaplane stations have we in Canada?

4. At what seaplane stations is all year flying possible?

5. What was the personnel of the Jericho, British Columbia, station in 1925?

6. What is the personnel of the Jericho station at present?

7. How many machines were in service at Jericho in 1925?

8. How many at present time?

9. Have any machines been replaced since 1925?

10. Are these machines of modern or old type?

11. Is it the intention of the government to improve and extend the service at Jericho?

12. What is the program for training at Jericho this year?

13. Does the government propose to reëstablish a civil air board in order to give desired impetus to civilian flying?

14. If not, what provision is being made to encourage civilian flying?

15. Does the government propose to establish an air mail service?

16. Will this service extend to western as well as eastern Canada? If not, why not?

Hon. Mr. RINFRET:

1. Nine.

2. Camp Borden, Ont.; Vancouver, B.C.; High River, Alberta; Winnipeg, Manitoba (with sub-stations at Norway House, Lac du Bonnet, and Cormorant lake); Ottawa, Ont.; Dartmouth, Nova Scotia.

3. Seven.

4. Vancouver, B.C., and Dartmouth, N.S.

5. At March 15, 1925—6 officers and 34 other ranks.

6. At March 15, 1927—15 officers and 13 other ranks.

7. Three.

8. Three.

9. Two.

10. Standard training aircraft.

11. As conditions warrant.

12. In addition to the normal training of the personnel of the station, flying instruction on seaplanes is being given to nine officers and five airmen. Other courses will be organized as needed.

13 and 14. The powers, duties, and functions formerly vested in the air board were by the National Defence Act, 1922, transferred to

the Minister of National Defence and are now exercised by him.

15. Yes.

16. Yes, as conditions warrant.

LABOUR STATISTICS

Mr. MERCIER (St. Henri):

1. How many persons have been employed in the manufacturing industries during 1925 (approximately)?

2. How many members have the labour unions, according to the last statistics?

3. How many industrial disputes have been investigated under The Industrial Disputes Investigation Act, 1907, up to its amendment of 1925?

4. How many, under the said act as amended by chapter fourteen of the statutes of 1925?

5. How many provinces have adopted legislation substantially identical to the Dominion statute?

6. What are the names and membership of the nine trade unions now in existence under the act respecting trade unions?

Hon. Mr. RINFRET:

1. Number of salaried employees and wage earners, 537,345; number of outside pieceworkers, 3,703.

(The above figures are subject to revision).

2. 274,604.

3. 450 disputes were dealt with by boards of conciliation and investigation under the Industrial Disputes Investigation Act, 1907, up to its amendment of 1925.

4. 10 disputes were dealt with by boards of conciliation and investigation under the Industrial Disputes Investigation Act, 1907, as amended by chapter fourteen of the statutes of 1925.

5. Five provinces, namely, British Columbia, Saskatchewan, Manitoba, New Brunswick and Nova Scotia, have adopted legislation by which disputes which are within the exclusive legislative jurisdiction of the provinces are made subject to the provisions of the Federal Industrial Disputes Investigation Act. One province, that of Alberta, has adopted legislation resembling generally the Dominion statute.

6. Canadian Brotherhood of Railroad Employees; Brotherhood of Canadian Pacific Express Employees; L'Union Nationale des Ouvriers de la Rive Sud; Syndicat National Catholique des Employés des Magasins; Musicians' Protective Association of Montreal; Canadian Association of Railway Enginemen; Vancouver and District Waterfront Workers' Association; Canadian National Plasterers' Union of Montreal, Local No. 3; Mine Workers' Union of Canada.

STOCKYARDS

Mr. MILNE:

1. How many stockyards come under the Live Stock and Live Stock Products Act of Canada?

2. Where are they located?

3. Who are the owners?

4. Have any of the live stock exchanges on any occasion refused to adopt by-laws submitted by the Department of Agriculture?

5. If so, what exchanges?

6. What was the content of the suggested by-laws that were refused by the exchanges?

Hon. Mr. MOTHERWELL:

1. Eight.

2. Edmonton, Alberta; Moose Jaw, Saskatchewan; Prince Albert, Saskatchewan; St. Boniface, Manitoba; Toronto, Ontario; Montreal (2), Quebec; Calgary, Alberta.

3. Edmonton stockyards, owned by Edmonton Stockyards Limited, a private corporation; Calgary stockyards, owned by Alberta Stockyards Company, Limited, (C.P.R.); Moose Jaw stockyards, owned by Southern Saskatchewan Co-operative Stockyards, Limited; Prince Albert stockyards, owned by Northern Saskatchewan Co-operative Stockyards, Limited; St. Boniface stockyards, owned by Public Markets, Limited, (C.N.R. and C.P.R. jointly); Toronto stockyards, owned by Union Stockyards of Toronto, Limited; Montreal stockyards, owned by (a) East End stockyards owned by Eastern Abattoirs, (b) Point St. Charles stockyards owned by Montreal Stockyards Company, (C.N.R.).

4. On one occasion, a draft of regulations was submitted to the exchanges for their consideration and a date was suggested for the adoption of same. No formal demand, however, was issued either at the time or at a later date. The regulations in question referred to the putting into effect of a shipper trust account, and the manner in which the deposit of moneys into this account, and the disbursement of same, should be carried on. In connection with the replies received from the exchanges, it became clear that the regulations, as submitted, could not be made effective in accordance with the provisions of the act and, further, that, if regulations were drafted in accordance with the provisions of the act, these regulations would impose a serious hardship upon shippers and producers generally. Under these circumstances, the department, through its officers at the stockyards, advised the several exchanges, that they would not be required to adopt regulations re this matter until the department was satisfied that regulations could be drafted

which would cover the case. The exchanges objecting to the adoption of the regulations as submitted were those located at Toronto, Winnipeg and Edmonton. This is the only occasion upon which the department submitted regulations which were not adopted by the exchanges.

5. See reply to No. 4.

6. See reply to No. 4.

CHINESE IMMIGRATION

Mr. NEILL:

1. How many Chinese landed in Canada for the first time, according to Canadian government returns, during the calendar year 1926?

2. Of those entering how many came as: (a) members of the diplomatic service and their servants; (b) merchants; (c) students; (d) under section 9, chapter 38 of the Chinese Immigration Act, 1923 (permits)?

3. What was the classification as to occupation of those admitted under said section 9, chapter 38?

4. What was the average period of residence in Canada allowed under such permits?

5. During the year were any existing permits renewed or extended for a further period, and if so, how many and for what further period?

Hon. Mr. FORKE:

1. No Chinese immigrants landed; 58 Chinese entered under permit (section 9, Chinese Immigration Act, 1923); two entered under section 5 (a) of Chinese Immigration Act, 1923, being consular staff; two entered under section 5 (c) (2), being students.

2. (a) 2; (b) none; (c) 2; (d) 58.

3.

Actors and actresses	14
Amahs	6
Members of Consuls' families	3
Secretary to consul	1
Servants of consuls	3
Government representative	1
Housewife	1
Infants	4
Merchants	4
Members of merchants' families	2
Missionaries	2
Passenger agent	1
Restauranteur	1
Students	12
Teachers	3
Total	58,

of which number 32 have already passed out of Canada.

4. Periods vary according to circumstances. The average for 1926 was 7.5 months per person.

[Mr. Motherwell.]

5.

For three weeks	1
For one month	16
For two months	5
For three months	1
For four months	2
For six months	3
For twelve months	50
	78

Twenty-seven Chinese whose permits were extended during 1926 have since left Canada.

JAPANESE IMMIGRATION

Mr. NEILL:

1. How many Japanese landed in Canada for the first time, according to Canadian government returns, during the calendar year 1926?

2. At what ports did they land?

3. How were they classified as to: (a) occupation; (b) sex?

Hon. Mr. FORKE:

1. 443.

2. Victoria and Vancouver.

3. (a)

	Adult Males	Adult Females	Children under eighteen
Farmers and farm labourers	69	28	11
General or unskilled labourers	35	87	32
Skilled labourers	..	4	3
Trading class, including merchants, clerks, etc	12	19	9
Mining class	..	1	..
Female domestic servants	..	5	..
Other classes	3	72	53

(b) 119 males, 216 females and 108 children under eighteen.

VERMILION WHEAT

Mr. SPENCER:

1. Has the Department of Agriculture had the Vermilion wheat of Mr. Frank Larcombe under their observation for three seasons?

2. Was the license certificate of variety issued to Mr. Larcombe on the 30th of December, 1926?

3. Did an official of the department write Mr. Larcombe on the 12th of February, 1927, six weeks after the license certificate had been issued, advising him not to sell any more of his wheat as it had fallen down in the milling test?

4. Was the first test made for milling purposes carried out on the 11th of February, 1927?

5. Does the department anticipate asking for confiscatory legislation to cancel the license for the above wheat?

6. Has the department a record of the heavy yield capacity of the Vermilion wheat in western Canada? If so, what are their records?

7. Will the wheat withstand the hot winds and drought better than other varieties?

8. Can it be grown in semi-arid districts of the west?
9. How did the yield compare with other varieties grown under the same conditions?
10. Was this wheat tested in 1926 at Vermilion, Olds, Youngstown, and Claresholm experimental farms?
11. How did it compare with Garnet wheat at the Claresholm experimental farm?
12. Has Mr. Larcombe ever asked officials of the department for particulars of tests of the wheat made by them?
13. How many tests have been made?

Hon. Mr. MOTHERWELL:

1. Yes.
2. Yes.
3. Yes.
4. No, first test was made in 1925.
5. No.
6. We have as yet no definite records.
7. Not definitely proven.
8. Not proven yet.
9. See answer to No. 6.
10. Have records only from Olds. These are provincial stations, consequently we are not in a position to report on their experiments.
11. Cannot say—was at top of list in yield at Olds.
12. Yes, in 1925.
13. Six.

CHARLO STATION POSTMASTER

Mr. GRIMMER:

1. Has George Chalmers been dismissed from the position of postmaster at River Charlo, New Brunswick?
2. If so, what were the grounds of his dismissal?
3. Were any charges laid against Mr. Chalmers?
4. If so, what was the nature, who laid them, and was an investigation held into said charges?

Hon. Mr. VENIOT:

1. George Chalmers was postmaster at Charlo Station, N.B. and not Charlo River. He was dismissed by order in council of the 23rd February, 1927.
2. Active political partisanship.
3 and 4. The member for the constituency made a statement that he had personal knowledge of the political partisanship of the postmaster and there was accordingly no investigation.

NATIONAL GALLERY OF CANADA

Mr. BETTEZ:

1. What pictures were bought by the trustees of the National Gallery of Canada from the recent exhibition of Canadian art held at the National Gallery at Ottawa from January the 21st to February 28, 1927?
2. What are the names of artists, titles of pictures, and prices paid?

Hon. Mr. ELLIOTT:

1 and 2. No pictures have as yet been purchased by the board of trustees from the exhibition of Canadian art held at the National Gallery of Canada from January 11 to February 28, 1927.

The following is a list of the purchases it is proposed to make if prices offered by the trustees are agreed to by the artists concerned:

Paul Alfred—Winter Market, Byward (oil).
Dorothy Stevens Austen—Cliff Houses (etching).
Allan Barr—Portrait of Charles G. D. Roberts, M.A., LL.D. (oil).
Eric Bergman—Pine Tree (coloured woodcut).
Eric Bergman—Looking Through the Pine (Coloured woodcut).
F. H. Brigden—Rapids on the Michipocoten (watercolour).
William Brymner, R.C.A.—Two Girls Reading (watercolour).
F. S. Challener, R.C.A.—Evening Breeze (oil).
Charles F. Comfort—Stoney Lake (watercolour).
Charles F. Comfort—December (colour print).
Maurice Cullen, R.C.A.—Huy on the Meuse (oil).
H. Valentine Fanshaw—A Threat to Harvest (watercolour).
Henri Hebert, R.C.A.—Alphonse Jongers (bronze).
Edwin H. Holgate—Totem Poles No. 1 (woodcut).
Edwin H. Holgate—Totem Poles No. 2 (woodcut).
Edwin H. Holgate—Landing Stage, Port Essington (woodcut).
Edwin H. Holgate—Tsimshian Chief (drawing).
Edwin H. Holgate—Tsimshian Indian (drawing).
Thoreau MacDonald—Loons on the Coast (drawing).
Thoreau MacDonald—Swans and New Snow (drawing).
Lilias T. Newton, A.R.C.A.—Nude Figure (drawing).
Peggy Nichol—Portrait in the Evening (oil).
Elizabeth S. Nutt—Northwest Arm, Halifax, N.S. (oil).
L. A. C. Panton—Midwinter (oil).
Walter J. Phillips, A.R.C.A.—Wylye Mill Bridge (woodcut).
George A. Reid, R.C.A.—Algoma Lake (watercolour).

Sarah M. Robertson—Le Repos (oil).

A. deFoy Suzor-Cote, R.C.A.—The Moaning of the Winds (charcoal).

A. deFoy Suzor-Cote, R.C.A.—Quebec Peasant (charcoal).

A. deFoy Suzor-Cote, R.C.A.—Quebec Peasant (charcoal).

Homer Watson, R.C.A.—Waning Winter (oil).

A. Curtis Williamson, R.C.A.—Fish Sheds, Newfoundland (oil).

Elizabeth Wyn Wood—Head of a Negress (bronze).

PROPOSED LAKEVIEW POST OFFICE

Mr. CHARTERS:

1. Is it the intention of the government to close the post offices known as Lakeview beach and Lakeview park and to open a post office at Lakeview?
2. Has a building been procured for the new office?
3. Who is the postmaster?
4. What is the salary to be paid to such postmaster?

Hon. Mr. VENIOT:

1. Yes.
2. Yes, being provided by new postmaster.
3. John J. Montague, returned soldier.
4. Salary will be based on revenue and cannot be determined until the post office has been in operation for some time.

ADJUTOR VEZINA

Mr. HOCKEN:

1. Was Adjutor Vezina, of Hull, Quebec, sentenced to imprisonment in 1925?
2. If so, what was the offence of which he was found guilty?
3. What was the term of his sentence ?
4. What was the date of his conviction?
5. Has he been released?
6. If so, what was the date of his release?

Hon. Mr. LAPOINTE:

1. He was sentenced in 1924.
2. Carnal knowledge.
3. Fourteen years.
4. March 31, 1924.
5. Yes, under restraint of ticket of leave.
6. On the eve of New Year, 1927.

POST OFFICE SITES

Mr. SPENCER:

1. Referring to question under "Post Office Sites," page 572 of Hansard, 1927, how many of the 45 sites bought during 1913 have government buildings erected thereon?
2. In what towns are such buildings?
3. What was the expense in each case?

[Mr. Elliott.]

Hon. Mr. ELLIOTT:

1. 13.
2 and 3.

Place	Total cost of building, exclusive of site
Milltown, N.B.	$ 35,505 31
Sackville, N.B.	37,195 14
East Angus, P.Q.	46,077 31
Jonquières, P.Q.	25,941 91
Verdun, P.Q.	45,378 53
Aurora, Ont.	33,743 75
Burford, Ont.	25,069 82
Gravenhurst, Ont.	23,905 43
Carman, Man.	34,991 01
Stonewall, Man.	23,795 17
North Battleford, Sask.	59,855 18
Soda Creek, B.C.	2,180 25
Union Bay, B.C.	11,443 05

QUESTIONS PASSED AS ORDERS FOR RETURNS

HOUSE OF COMMONS MESSENGERS

Mr. POULIOT:

1. What are the names of the messengers of the House of Commons who were employed at the session of 1911, and whose services were dispensed with at the session of 1912?
2. What are the names of the messengers of the House of Commons who were employed at both sessions of 1911 and 1912?
3. What are the names of the messengers of the House of Commons who were employed during the session of 1912 and had not been employed at the session of 1911?

HOUSE OF COMMONS CHARWOMEN

Mr. POULIOT:

1. What are the names of the charwomen of the House of Commons who were employed at the session of 1911, and whose services were dispensed with at the session of 1912?
2. What are the names of the charwomen of the House of Commons who were employed at both sessions of 1911 and 1912?
3. What are the names of the charwomen of the House of Commons who were employed during the session of 1912 and had not been employed at the session of 1911?

UNOPPOSED MOTIONS FOR PAPERS

SALVATION ARMY IMMIGRATION WORK

Mr. EDWARDS (Frontenac):

For a copy of all correspondence of whatsoever character that has passed between the Dominion government or any minister or officer thereof and the Salvation Army or any officer thereof during the past three years having reference to the immigration work carried on by or through the Salvation Army.

SUPERINTENDENT OF REVELSTOKE NATIONAL PARK

Mr. ESLING:

For a copy of all correspondence between residents of Revelstoke or vicinity, or any gov-

ernment officials in that vicinity, and the Minister of the Interior, or any departmental officials, concerning the abolition of the position of superintendent of Revelstoke National park.

CHARLESTON POST OFFICE

Mr. STEWART (Leeds):

For a copy of all letters, telegrams, correspondence, petitions or communications in any way relating to a proposed change in the location of the post office at Charleston, in the county of Leeds, Ontario, or the proposed dismissal of the postmaster of said post office.

QUEBEC POSTMASTER

Mr. PREVOST:

For a return showing the names and addresses of each and every postmaster in each and every electoral district of the province of Quebec who was dismissed from office from October, 1911, to January 1, 1922.

2. The persons and their addresses on whose charge or complaint each such dismissal was made and the grounds set forth in each such charge or complaint.

3. The names of the postmasters who received copies of said charges or complaints so made against them and were given an opportunity to present their defence against such charges or complaints.

4. The amount of the annual salary or revenue being received by each postmaster so dismissed.

5. The names and addresses of those who have been appointed to fill the offices so vacated by the postmasters who have been so dismissed.

6. The names and addresses of those on whose recommendations the new appointments were made.

HAWKESBURY POST OFFICE

Mr. BELL (West Hamilton):

For a copy of all letters, telegrams and all other documents, memorandums, protests, reports and correspondence between the Postmaster General, officials of the Post Office Department and any other person or persons relating to,—

1. The appointments, resignations and general supervising powers of the person or persons in charge of the post office at Hawkesbury from the year 1915 to date.

2. The appointment of one McAllister as postmaster or in connection with any appointment of the said McAllister to the post office at Hawkesbury, Ontario.

3. The appointment of a successor or successors to the said McAllister.

4. The appointment of one Berthiame as postmaster or in connection with a position in the said post office at Hawkesbury, Ontario.

POKER CREEK PLACER MINING CLAIMS

Mr. BLACK (Yukon):

For a copy of all letters, applications, reports, recommendations, correspondence, and documents of whatsoever character in possession of the government, or of any department thereof, concerning an alleged claim for compensation by one John McIver in connection with purchase of placer mining claims situated on Poker Creek, Yukon territory, and for the payment of which the government has appropriated $3,000.

INTERCOLONIAL RAILWAY EMPLOYEES—DISMISSALS

Mr. POULIOT—For a return showing the names and addresses of the employees of the Intercolonial railway in each electoral division between Montreal and Halifax, who were dismissed between September 21, 1911, and September 21, 1912.

2. Names and addresses of persons whose complaints or charges justified, in each case, the above dismissal, and the reasons given in each of said complaints or charges.

3. Names and addresses of employees who received a copy of said complaints or charges brought against them and who were able to vindicate themselves.

4. Amount of salary or income received by each of the employees who were dismissed.

5. Names and addresses of persons appointed to replace those who were dismissed.

6. Names and addresses of persons who recommended the new appointees.

RIVER CHARLO POSTMASTER

Mr. R. W. GRIMMER (Charlotte) moved:

For a copy of all letters, telegrams, other documents or correspondence between the Postmaster General or any official or officials of the Post Office Department, and any other person or persons, relating to the dismissal of George Chalmers, postmaster at River Charlo, New Brunswick, and the appointment of a successor; also a copy of all charges, if any, made against him, and the evidence taken on any investigation.

Hon. P. J. VENIOT (Postmaster General): There is no such postmaster in charge at River Charlo, and in order to get the answer my hon. friend desires, it will be necessary for him to give the proper post office.

Motion agreed to.

FARMERS BANK FAILURE

MOTION PROPOSING RELIEF FOR THOSE WHO SUFFERED LOSS

Hon. J. W. EDWARDS (Frontenac-Addington) moved:

That, in the opinion of this House, it is advisable that the same measure of relief should be granted to those who suffered loss through the failure of the Farmers Bank as has been granted to those who lost through the failure of the Home Bank.

He said: Mr. Speaker, I hold in my hand a tabulated statement of some twenty-four bank failures which have occurred in Canada between 1868 and 1910, giving in each case the date of suspension, the amount owing to the

public, and the percentage paid to the depositors, also the amount lost in each case, if any. The aggregate liabilities, the amount owing to the public, in these twenty-five banks—I am including the Home Bank—was about $77,000,000. The amount lost was $6,774,665, not including the loss in the Home Bank case. Out of those twenty-five cases of failures, in fourteen cases the depositors received the full amount they had on deposit: in six cases they received respectively 57½ per cent, 59⅜ per cent, 66½ per cent, 75¼ per cent, 96¼ per cent, and 99½ per cent of the amounts they had on deposit. In one case they received 11 per cent, and in another 17½ per cent of the amount they had on deposit. In two cases only of all in this list the depositors received nothing whatever. One of those cases was the Bank of Acadia, which suspended in April, 1873, and where the amount involved was only $106,914. The other case was that of the Farmers Bank, which suspended in December, 1910, and where the amount involved was about $2,000,000.

I wish to point out that during the last fifty years or more there has been no case of a bank failure where the depositors have lost all that they had in the bank, except the case of the Farmers Bank. I want to state also this, that so far as my information goes, and I believe it is correct, the only case in the history of Canada where the certificate was granted to a bank in violation of the provisions of the Bank Act was in connection with the Farmers Bank.

Earlier in the session I placed on the order paper certain questions which in due course were answered by the hon. Minister of Finance (Mr. Robb). One of these questions read as follows:

> Did parliament vote money for the relief of Home Bank depositors in recognition of any legal or moral claim of such depositors on the government?

The answer to that question was as follows:

> The act stands on the statutes as a relief measure. It will be recalled that the House adopted a report of the banking and commerce committee to the effect that it considered the investigation established "a moral claim in equity for compensation."

The Home Bank opened its doors for business on the 2nd of January, 1906, and suspended on the 17th of August, 1923. The Farmers Bank opened its doors on the 2nd of January, 1907, and suspended on the 19th of December, 1910. The Home Bank was therefore in operation for 17 years and 7½ months, while the Farmers Bank was in operation for less than four years. When the Home Bank failed there was on deposit in savings and current account a little over $15,000,000. When the Farmers Bank failed there was on deposit about $2,000,000. In the case of the Home Bank the depositors received 25 per cent from the liquidator, and I am informed, whether correctly or otherwise, that there is a likelihood of their receiving eight or ten per cent more, which I hope may be the case; but in addition to what they received, and may receive, from the liquidator, the depositors were granted under the legislation that was put through parliament by the government an additional 35 per cent, so that these depositors have been recouped to the extent of 60 per cent, whereas, as I stated before, the Farmers Bank depositors have received nothing whatever.

When the Home Bank failed representations were made to the government asking for an investigation, and in February, 1924, Mr. Justice McKeown was appointed to investigate the Home Bank failure. He made his report to parliament in June of that year, and in July of the same year, 1924, the banking and commerce committee made its report, which was approved by parliament. In June, 1925, the Finance minister moved the House into committee on a resolution to pay $5,450,000 to the creditors of the Home Bank for moneys on deposit or in current account. He said that this would provide for a partial payment of 35 per cent of deposits, and was in pursuance of the approval by the House of the report of the banking and commerce committee, which was influenced by the report of Mr. Justice McKeown that the depositors had a moral claim, or to use the exact phraseology of the Minister of Finance, "a moral claim in equity" against the government.

What is the basis of that moral claim? It can rest, it seems to me on only one foundation. The basis of the moral claim placing moral responsibility upon the government for loss must necessarily rest upon error of judgment or negligence on the part of the Finance minister or of the Treasury Board. That is the basis, and the sole basis, it seems to me of the moral claim and of the government's responsibility. My resolution asks for the same measure of relief to be granted to those who lost through the failure of the Farmers Bank as has been granted to those who lost through the failure of the Home Bank. It is therefore up to me to establish an equally strong basis of moral claim, and to do so I must establish it on the same foundation, in fact, on the only foundation there is, namely upon an error of judgment or negligence on the part of the Minister of Finance or the Treasury Board.

What constitutes negligence?? An act may not be a negligent act at one time under certain circumstances which would certainly be an act of negligence under different circumstances. A person may be driving along the road at a moderate rate of speed, unaware of certain danger, or unaware of the fact that a certain part of the road is unsafe. He meets with an accident. That person is not guilty of negligence, but if that same individual driving at the same rate of speed has been made aware, not by one warning or two warnings, but by half a dozen warnings, that this particular spot is dangerous, and then meets with an accident, I think if he sued for damages any court would say that he had contributed, by his negligence, to the accident which had occurred. Looking at it in that light, I want to place before the House certain facts which I think should be considered in regard to this matter. There are, it seems to me, certain reasons why the Minister of Finance, the Hon. Mr. Fielding, should have been particularly careful before issuing the certificate to the Farmers Bank. As I said a moment ago, a certain number of failures had taken place. Some of these were of recent occurrence. Some half a dozen had occurred between 1896 and 1906. Mr. H. C. McLeod, general manager of the Bank of Nova Scotia, said:

> Most if not all of these failures were fraudulent, and it is now plainly evident that a few hours' examination by a skilled banker would have disclosed an insolvent condition in any one of those banks years before they collapsed.

There were a number of failures which had occurred in recent years. For instance, there was the failure of the Banque Ville Marie, which occurred in 1899, but it was only wound up in 1905. Then there was the failure of the Bank of Yarmouth in 1905. This was pretty close to the time when the certificate was given to the Farmers Bank. Then the Ontario Bank closed its doors or suspended in October, 1906, the very month when Travers was making overtures for a certificate. It seems to me that these failures, occurring so recently, should have been a warning to the minister to be especially careful. Another matter of importance is this: the Farmers Bank was incorporated in 1904. The promoters started to work to get the money necessary to obtain the certificate. They failed and came back in 1905 asking for a renewal of their charter. Again they worked for a year and failed, and came back again in 1906, and at that time the Hon. Mr. Fielding expressed his opposition to the granting of the charter, and what reason did he give? He said:

> My view was that the fact that they had not been able to organize promptly indicated that they were having difficulty, and I confess that from the beginning I did not quite like the name "The Farmers Bank".

The impression which he had at that time certainly was not very favourable to the granting of a certificate to this bank, and his own impression, it seems to me, should have warned him to be particularly careful, in view of the fact that Travers and those connected with him had been working for two years and had failed to find the necessary money which would have enabled them to obtain a certificate.

On November 30, 1906, the very day that Travers came for the certificate, Mr. Fielding had a talk with him and brought up the matter of the Bank Act being evaded by taking notes of subscribers and getting them cashed. Mr. Travers assured him that nothing of that kind had been done. On the assurance of Mr. Travers that there was nothing in the rumour so far as the Farmers Bank was concerned, Fielding handed over to Travers the certificate, asking him at the same time to write him, putting in the form of a letter the assurance which he had given him verbally. Travers goes out of the office with the certificate in his pocket, goes to an hotel and writes a letter along the line of the conversation he had just had with the Minister of Finance. When the Farmers Bank failed representations were made from various parts of the country asking for an investigation. On January 7, 1911, a large number of shareholders demanded that a royal commission be appointed to investigate the affairs of the Farmers' Bank. On January 23 of that year Sir George Foster, speaking in the House said:

> The Treasury Board had an application before it. The fundamental conditions were the subscription of $500,000, and the putting up and paying in of $250,000 of actual cash.

Neither the one nor the other was done, and the only way that the $250,000 came to be paid in at last was that some men, the bank not being in existence, not having running power, borrowed the money. On February 18, 1911, Mr. Travers was taken from prison to give evidence before the court, and on that occasion he swore that the chief Liberal whip, Mr. Calvert, had gone with him to the Finance minister to urge the granting of the certificate, and on his intervention had been successful. On the 23rd November, 1911, the government refused the request for a royal

commission to investigate. On the 15th March, 1911, Mr. David Henderson, member of parliament for Halton, which county was hit the hardest of any, moved for a royal commission to investigate. This motion was voted down on a straight party vote of 97 to 62. In that debate Mr. Fielding said:

> Undoubtedly that certificate, as has since been ascertained, was obtained fraudulently. The minister was deceived, the Treasury Board was deceived, the whole country was deceived by the whole proceedings of the Farmers Bank.

Then on the 7th May, 1911, Mr. Haughton Lennox, a member of parliament, moved the following resolution:

> This House regrets that in permitting the Farmers Bank to commence and to continue in business the Minister of Finance and the Treasury Board failed to exercise such proper care and to take such reasonable precautions as were necessary to prevent evasion of the law and to protect the public interest.

That motion was defeated by a vote of 97 to 63. Then in the election of 1911 the Liberal party issued a pamphlet in regard to this Farmers Bank matter, and in that pamphlet they gave this as one of the reasons why the certificate was granted: that at the time of the application some $40,000 had been spent in promotion and if the certificate had been refused the shareholders would have lost a part of that money. They also said—and I put this on record, because it is exactly in line with the expression of opinion given by Mr. Fielding before the House—that if the government had refused to grant the certificate to the Farmers Bank their political opponents would have charged them with treating farmers more unfairly than other people. So that it appears there was a political reason for the granting of the certificate.

I pass now to what took place after 1911, when the Borden government came into power. Sir Robert Borden introduced a government bill for the relief of the Farmers Bank depositors. That bill passed the House of Commons. At that time the majority in the Senate was Liberal. The Senate saw fit to defeat the bill. May I say in connection with the bill put through very recently in regard to the Home Bank depositors that the Conservatives were in a majority in the Senate, and if they had taken the same course as the Liberal majority did in connection with the Farmers Bank bill that bill would never have become law.

In 1912 the Borden government appointed the late Sir William Meredith, then Chief Justice of Ontario, to investigate the failure of the Farmers Bank. In his report Sir William said:

> That the Treasury Board was induced to give its certificate by false and fraudulent representations on the part of Travers;
>
> That as to the representations made to the Finance minister by E. B. Osler and others, it was in my opinion, incumbent on the Treasury Board to have investigated the charges that had been made before coming to a conclusion as to whether or not the certificate should be given.

His findings show conclusively that the conditions prescribed by the Bank Act as precedent to the issuance of the certificate by the Treasury Board had not been complied with, that the certificate had been obtained by fraud and dishonesty, and that the Treasury Board was negligent in issuing it. It will be observed that he said in his report:

> It was incumbent upon the Treasury Board.

That means it was the duty of the Treasury Board, which duty was not fulfilled. I submit, Sir, that a duty unfulfilled constitutes negligence, especially if that failure of duty is in the face of repeated warnings.

Let me quote a remark made by Sir Wilfrid Laurier to which I would direct the particular attention of all hon. members. It will be found in Hansard of 1911 at page 5400:

> This country is broad enough and rich enough to correct an error of the government, if an error has been committed.

That, Mr. Speaker, is a good principle to follow, for no party and no individual gains anything by refusing to correct a manifest fault. But while Sir Wilfrid Laurier admitted the principle that the country should make good where error was shown, he refused to permit an investigation to find out whether or not an error had been committed. Sir William Meredith followed explicitly, almost literally, what Sir Wilfrid Laurier had said. Sir Wilfrid then said that he would admit moral responsibility if negligence could be shown. Let me quote his own words, that they may impress themselves upon hon. members. They will be found in Hansard of 1911 at page 3659:

> If there was negligence on the part of Mr. Fielding, the question of how far the government would be responsible would be a very different question. The government would be morally responsible, if not otherwise. If a minister of the crown has made an error of judgment, it is simply a question of his having made a mistake, which has no legal or moral consequences. It is always a serious charge that there has been an error of judgment, but we are all liable to mistakes; and after all—

I entirely concur with this, as I am sure the House will.

> —and after all if the only charge that can be made against a minister of the crown who has been fifteen years in office is that upon a certain occasion he committed an error of judgment, the charge is but a minor one.

I would ask hon. members to note particularly the first sentence, because Sir Wilfrid Laurier there admits the responsibility—if negligence on the part of the Finance minister or the Treasury Board can be shown. I direct attention to that sentence because it was the basis of the action taken by the Borden government. And necessarily it is the basis of this resolution that negligence should be shown.

Now let us examine the facts a little more in detail. I have already quoted Mr. Fielding's admission that he was deceived. I will add some words from Sir Wilfrid Laurier to the same effect. He stated from his place in the House:

> That the Minister of Finance and the Treasury Board have been deceived was admitted long ago. When Mr. Travers declared that the shareholders had put into the treasury of the bank $250,000, that was deceit to the extent of about $80,000. That is admitted.

These words of Sir Wilfrid Laurier are the basis for the general admission by himself and his followers of what they are pleased to call an "error of judgment" on the part of Mr. Fielding. But the right hon. gentleman argued that that had nothing whatever to do with the subsequent loss. In that regard I wish to quote what was stated by Sir Robert Borden, as recorded in Hansard of 1911 at page 5397:

> The Prime Minister having put a very relevant question as to whether or not this fraud had anything to do with the subsequent loss, I would ask him: Does he consider the Department of Finance or the government was doing its duty when it permitted the man, who according to statements of the president of the Canadian Bankers Association had perpetrated a fraud, by means of perjury, upon the department, to remain at large and to continue his operations among the various communities of this country and no investigation instituted. Had that nothing to do with the loss?

That question, by the way, was not answered by Sir Wilfrid Laurier.

I have said, Sir, that it is incumbent upon me to establish negligence on the part of the Treasury Board or of the Minister of Finance, all the more so because of the statement of Sir Wilfrid Laurier that if negligence could be shown he would admit the government's responsibility. The Farmers Bank was incorporated in 1904. By acts passed in 1905 and 1906 the time for issuing the certificate was fixed at not later than January 18, 1907. Therefore there was no good reason for unusual haste in issuing the certificate on November 30, two or three days after the application for it had been made. I refer to section 13 of the Bank Act, which requires $500,000 to be subscribed. I would ask hon. members to mark these words:

> To be bona fide subscribed before the meeting of the subscribers is called.

Before the meeting of the subscribers is called, the act requires that $500,000 shall be bona fide subscribed. Notice of the meeting which took place on November 27 appeared first in the Toronto Globe of October 22. Therefore, according to the Bank Act, previous to or by October 22, $500,000 should have been bona fide subscribed. I put these questions to all reasonably minded members: Was section 13 of the Bank Act complied with? There is only one answer: section 13 was not complied with. Whose duty was it to see that section 13 was being complied with? There is only one answer: It was manifestly the duty of the Finance minister and the Treasury Board. If, then, that duty was not performed, was there negligence? Do not the circumstances indicate that there was negligence? Sir William Meredith says that if October 22 was the determining date, then the $500,000 was not bona fide subscribed. Whose business was it to determine the date? Can any person deny negligence in that regard? The application of Travers on November 27 for the certificate was accompanied by what purported to be a list of shareholders together with a statutory declaration of Travers in which, referring to the list of shareholders, he states that it is a list of the subscribers to the capital stock of the bank, correctly setting forth as to each subscription the name of the subscriber, his address, the number of shares subscribed for by him, the amount of such shares, and the amount paid in thereon. He also declares that each of the subscriptions is a bona fide subscription to the capital stock of the bank. Was that list true or was it false? That is a fair question. There is no doubt about it, the list was false; and if it was false the certificate could not issue. Whose duty was it to determine whether the list was true or false? Again, I say, that duty devolved undoubtedly on the Minister of Finance and the Treasury Board. Was there negligence? I maintain there was.

Consider for a moment the $250,000 deposit. On October 6, the provisional directors gave Travers a power of attorney, and on October 9, Travers borrowed from the Trust and Guarantee Company $80,000, repayable in a month, on the security of promissory notes of subscribers amounting in the aggregate to $100,955, agreeing to pay interest on the loan at the rate of 10 per cent per annum and a bonus of $1,000, and on October 23, the day

after the issue of the notice calling the meeting, he borrowed from the same company $20,000 repayable on demand on the security of promissory notes of subscribers amounting to $26,500 and certain shares of loan companies, valued at $20,500, which had been transferred to the bank in payment of subscriptions, agreeing to pay the same rate of interest and a bonus of $500. Again, I ask, was this in accordance with the Bank Act? The answer most positively is no. Whose duty was it to look into this matter? I say it was the duty of the Treasury Board and of the Minister of Finance. Was that duty performed or was it not? The answer is, it was not performed. If that duty devolved upon them and it was not discharged, I ask, was there negligence? I again establish that there was.

What had transpired that should have caused the Hon. Mr. Fielding to exercise special care? He said himself, as recorded in Hansard of 1911, at page 2679:

> There was gossip abroad concerning the Farmers Bank. I was well aware of it.

But, Sir, I submit there was a good deal more than gossip. The Monetary Times says that the Finance department had received six different warnings. Certain it is—this is not and never has been disputed—that on October 8, 1906, Mr. Leighton McCarthy wrote to Mr. Fielding that a number of subscribers for shares in the Farmers Bank would dispute the bona fides of the subscriptions. He said:

> Grave conditions have arisen which require careful consideration before the Treasury Board grants the certificate to the organizing of the bank.

On October 11 he sent a telegram again warning the Minister of Finance, and on October 19 Mr. McCarthy wrote the minister formally, asking that the Treasury Board stay action on the application of the Farmers Bank for a certificate. There are three distinct warnings, not one of which has ever for a moment been disputed by any person at any time, and all of these before the certificate was issued. We have evidence too that Mr. Henderson of Halton went to the Minister of Finance and warned him that the provisional directors were not carrying out the spirit and intent of the Bank Act. He had himself seen notes which were endorsed by provisional directors for the purpose of raising money, presumably to provide the $250,000. Later the Minister of Finance said to Mr. Henderson: "Henderson, I don't see why you should worry over this. You are not responsible. Besides, you did warn the government." I also call the attention of the House to another warning, and I quote from Hansard of 1911 at page 10,472.

Mr. Osler said:

> After the deposit had been made with the Receiver General and before the certificate had been issued, I met the Minister of Finance and had a talk with him about the Farmers Bank. I told him that it was a fraud, that the people connected with it were not worthy, and that the method taken for obtaining the necessary deposit was absolutely illegal. I knew that of my own personal knowledge, because I knew where application had been made to borrow the money on these endorsed notes; I did not know at the time from whom. I saw that the Finance minister was under a good deal of anxiety about the condition of affairs. The matter ended there so far as I was concerned until some time afterwards, when I learned that a certificate had been issued, and I again spoke to the minister, and said I was exceedingly sorry that the government had issued the certificate.

Further on he observes:

> It was notorious that the men at the head of the bank were not worthy . . . . Further than that, I may say that I had a conversation with my hon. friend from Halton (Mr Henderson), and he told me he had made the same represenation to the Finance minister.

Surely words like these coming from a man of the standing of Mr. Osler cannot be set aside. They constitute a warning which the minister should have heeded, and in failing to take cognizance of such a warning he was guilty of negligence. Mr. Fielding wrote Travers who assured him that everything was all right. Of course Travers would say so; he was a crook and he would not hesitate to give that assurance. Let me now quote from a statement of Sir William Meredith:

> That in thus dealing with these notes the provisional directors and Travers were guilty of a breach of trust does not, I think, admit of doubt, and for the manner in which the money borrowed was applied there was neither justification nor excuse.

Mark these words:

> I very much doubt whether in the circumstances it would have been right to have depended on the word of Travers, even if he had given the assurance for which the minister had asked. The information which had been conveyed to the minister had come from gentlemen of standing, and if it was accurate the declaration of Travers had made was untrue and it would seem to have been almost an idle thing to ask for an assurance that there was no foundation for the statements that had been made to the minister from the very man whose honesty was in question. . . . It is true that, as Mr. Fielding stated in evidence, Travers, so far as he knew, was a reputable banker; but that was not in my opinion, a sufficient reason for not having instituted an inqury as to the matters which had been called to his attention. Such an inquiry could easily have been made, and the delay occasioned by it would have been inconsiderable, and such an inquiry would, un-

doubtedly, have resulted in the discovery of the manner in which the $100,000 had been raised and in the refusal of the Treasury Board to give the certificate.

I quote further from Sir William:

I do not suggest that the minister would have been justified because of the information conveyed to him in recommending that the certificate should not be granted or that the Treasury Board because of it would have been justified in refusing to grant it. But having received the information it was in my opinion incumbent on the Treasury Board to have investigated the charges that had been made before coming to a conclusion as to whether or not the certificate should have been given.

I submit in all reason that failure to investigate under these circumstances constitutes negligence on the part of the Minister of Finance and of the Treasury Board. That brings us to November 30. On that date, the very day Travers obtained the certificate, Sir Edward Clouston, the president of the Canadian Bankers' Association, wrote the deputy minister as follows:

In connection with the application of the Farmers Bank of Canada for the usual certificate from the Treasury Board, I have reason to believe that the money lodged or to be lodged at Ottawa as stock subscriptions cannot be regarded as paid up capital, and that a large proportion of the amount necessary to the obtaining of a certificate is a loan made upon the promise of its payment when returned by your department.

Permit me to request, if only for the protection of the public, the Treasury Board will exercise its rights to refuse to issue the certificate if it thinks best so to do until a thorough investigation has been made into the circumstances stated herein.

Some person may say "Oh, but that was on November 30, and it is only reasonable to suppose that as this letter was dated November 30 the minister did not receive it until the next day, and the certificate was issued on November 30." Very well, let us accept that if you like. This, however, is true—that the bank did not open its doors or commence business until the second day of January, 1907, one month after this letter had been obtained from the president of the Bankers Association, and just at the time that the certificate had been handed out to Mr. Travers. Taking that in connection with the other warnings I submit that the Finance minister should have gone to the telephone, got into communication with Travers and said: "Hold on, I do not want you to go ahead until I have some further interview with you, I want to investigate this a little further. I have received certain representations from the head of the Bankers Association, and I ask you to return that certificate, or to suspend any action upon it until I have had further time to investigate." If Mr. Travers then undertook to say: "I have the certificate and I am going ahead," then I submit the Minister of Finance had it within his power to tell Mr. Travers that he would take such steps to protect the public as were in his power, and he would have prevented the subsequent deplorable occurrences.

That brings us up to the time the bank had started business. Now I should like to refer to another matter a little later which shows that the government had further warning which should have caused action on the part of the Treasury Board and the government even after the bank started to do business. The bank opened on January 2nd, 1907, and on April 17, three months and a half after they had started to do business, the manager of its branch in the town of Milton, Mr. Vankoughnet, wrote as follows to the Deputy Minister of Finance:

Will you kindly give me your opinion as to the following: Our general manager (Mr. Travers) sends to the different branches lists of notes given in payment of our capital stock. These notes he makes the managers put through as discounts, crediting the amount to head office. This is figured in the government return as paid up capital and circulation issued to that amount. If I read the Bank Act correctly, section 76, he is asking us to do what is not right. As I do not wish to do anything contrary to the law, I should be much obliged if you give me the ruling on it.

In reply to this letter, Mr. T. C. Boville, Deputy Minister of Finance, writes as follows on May 1, 1907:

While it is not deemed expedient to enter into correspondence at this stage, the matter referred to by you is of sufficient importance to warrant further inquiry. This will shortly be made. I should like to have a copy of any of the notes.

On May 3rd Mr. Vankoughnet sent him one of the notes, and in the accompanying letter he declared that "the amount under discount at this office April 30th was about $111,885".

Well, Mr. Travers was asked to make a return covering this point, and he not only wrote but gave his oath. He swore that this was the state of affairs:

The portion of the $375,473 paid up capital of the bank as per return of March 30th, 1907, represented by promisory notes of the shareholders held by the bank amounts to $59,110.

So that Travers swore that the total amount of these notes held anywhere in Ontario or in Canada was only $59,000, while the minister had under his hand a statement from the manager of one of the branch banks—and a small one at that—showing that in that particular branch alone there was $111,885. Had

the minister, with that statement of the manager of one of the branch banks under his hand, taken even a little trouble to examine into the affair it would have proved to him very conclusively that Travers was a scoundrel and a perjurer—there is no question about that. And as a result of investigation I venture to say at that early date the depositors would have been saved a heavy loss. Now, I ask you, under these circumstances, was there or was there not negligence on the part of the minister at that time, in 1907?

Now we come down to 1908. I need not go into details regarding the Keeley mine. There was sufficient published in the papers at the time, it seems to me, having regard to other circumstances, to have caused the then Minister of Finance to make further investigation.

I pass on now to another matter. On December 7th, 1908, Mr. Knight, Secretary of the Canadian Bankers' Association, wrote to Mr. Fieldnig as to a deposit receipt of the bank being offered for sale in New York under very peculiar circumstances. Here again was something which should have aroused suspicion in the mind of the minister, taken in conjunction with other circumstances, and caused him to ask for an investigation. I pass on now to 1910. In January of that year the minister received from Mr. William H. Hotchkiss, superintendent of insurance of the state of New York, several letters and telegrams showing recklessness and fraud, which again should have caused the minister to institute an inquiry. Here let me say that the recklessness and fraud which had been shown after the bank got its certificate were no worse than the carelessness manifested and fraud committed before the certificate was granted.

Now I ask you to consider this matter fairly and squarely. In February, 1924, Mr. Justice McKeown was appointed a commissioner to investigate the affairs of the Home Bank and in June of the same year he made his report. Under order in council No. 306 the commissioner was asked to submit answers to five questions. On the answers to these five questions the government based its right to pass the Home Bank relief bill granting relief to those who had suffered losses by its failure. Is it not fair then that the same five questions should be considered in connection with the Farmers Bank? If a moral claim for responsibility on the part of the government was established through the answers of Mr. Justice McKeown to those five questions, let us apply the same procedure to the Farmers Bank. The first question—and mark you, this was ten or twelve years after the Home Bank had been doing business; there is no question about that—was:

Whether in the years 1915, 1916, and 1918 representations were made to the Department of Finance respecting the conditions of the Home Bank, and if so what representations were made.

The answer of Mr. Justice McKeown was that there were no representations regarding 1915, but representations were made in regard to 1916 and 1918. The representations were:

An amount double the total paid up capital and reserve of the bank locked up in 4 accounts, the securities of which could not be realized on.

(c) Large loans disproportionate to securities.

(d) Specific instructions of Minister of Finance disobeyed.

(e) President and some directors indebted to bank through companies in which they had an interest.

If exactly the same questions were put in the case of the Farmers Bank, only taking the years 1906, 1907, 1908, and 1910 instead of the years 1915, 1916, and 1918, representations were certainly made by Sir Edmund Osler, Mr. Henderson, Mr. McCarthy, Sir Edward Clouston, president of the Bankers' Association in 1906, Mr. Vankoughnet, president in 1907, the secretary of the Bankers' Association in 1908, and this man from New York in 1910.

The second question is:

Whether, if such representations were made, a state of affairs was revealed concerning the condition of the said bank such as would have justified an investigation under the powers conferred upon the Minister of Finance by section 56A of the Bank Act.

The answer to that is the word yes. I say that if the same question were asked regarding the Farmers Bank the answer must be likewise in the affirmative. The third question is:

What action if any was taken by the then Minister of Finance upon such representations as may have been made?

In reply we were told that Sir Thomas White—

(a) Called for special returns under section 113 of the Bank Act.

(b) Called for report from auditor under section 56A.

(c) Sought and obtained information from Mr. Lash and from the president and directors, including detailed statements of certain accounts.

(d) Forbade further capitalization of interest on doubtful accounts.

(e) Secured promise from Mr. Lash and the president of a thorough investigation under the direction of Mr. Haney and Mr. McHaffie.

And so on. If we put the same question in regard to the Farmers Bank, we find that Mr. Fielding wrote to Mr. Travers and accepted

his assurance. He did not call for special returns under section 113; he did not call for a report of the auditor under section 56A, and he did not secure a promise of thorough investigation.

Question 4 reads:

What effect would an audit under section 56A if made in 1915, 1916, and 1918, have had upon conduct of the affairs of the Home Bank and upon the position of the present depositors?

The answer is:

(a) Liquidation immediately following such audit.
(b) Amalgamation with another bank.
(c) The depositors would have suffered no loss if such audit had been made in 1916 or 1918.

If exactly the same question had been asked in regard to the Farmers Bank with application to the years 1907 and 1908, if you like, I maintain that there can be no doubt that had an investigation taken place then, liquidation would have followed and amalgamation with another bank, with the very good chance that the depositors would have saved nearly all, if not all, their money. Sir Thomas White was blamed for not investigating in 1916 and 1918 when the war was on. The King government came into office in 1921 and they had from that time until August, 1923, to make an investigation. They had the whole of the year 1922 and yet they did nothing in the way of investigation. Question 5 reads:

What was the financial condition of the said Home Bank in 1915, 1916, and 1918, and what steps if any could have been taken by the government to save the situation?

The answer to the first part of that question indicates that the resources of the bank had been squandered and so on. The same thing would apply exactly, word for word, to the Farmers Bank in the years 1908, 1909 and 1910. As regards the other part of the question—

What steps if any could have been taken by the government to save the situation?

—is answered in this way:

The only steps that the government could have taken to save the situation would have been to make a thorough investigation into the bank's affairs, which would have resulted:
(a) In forcing the liquidation of the bank.
(b) In bringing about its amalgamation with another bank.

Exactly the same thing would have occurred if any investigation had taken place in regard to the Farmers Bank.

May I sum up in conclusion? Mr. Travers and his outfit had failed for over two years to raise the necessary money to get the certificate. That should have been a warning to the minister to be very careful. Mr. Fielding himself had spoken to Mr. Travers regarding violations of the Bank Act, and he stated that he had been told that in some cases subscribers did not actually pay in cash but gave to the provisional directors notes which were used in order to raise the money. With that in his mind, he should have gone beneath the surface, he should have investigated the apparent irregularities. He had Mr. McCarthy's letters of the 8th, 11th and 19th October. Furthermore, Mr. McCarthy, acting on behalf of a number of subscribers, had made an application to the high court of justice asking that the court order that these men be released from their subscriptions to the Farmers Bank, because of what? Because of fraud and misrepresentation made to them in getting their subscriptions. Mr. McCarthy had carried that case to the court and the court had decided that there was fraud and misrepresentation. At all events the men got back their money because of the fraud and misrepresentation under which their subscriptions had been obtained. That was before the minister.

On November 27, Mr. Fielding had an application from Mr. Travers for a certificate with the statutory declaration that the list of subscribers was bona fide. All the minister had to do was to look over that list and he would have found on it the names of every one of those men who had been released from their subscriptions by the high court of justice of this country. Was he negligent or not in not looking over that list? Were all the objections removed as soon as those men for whom Mr. McCarthy was acting had got back their money? Mr. McCarthy's interest in them as clients was, of course, finished; but while he had got back for those men their money on the ground that their subscriptions had been obtained fraudulently, he never withdrew from the court his charges of fraud and misrepresentation by having on prospectuses the names of persons as directors who were not directors, and on account of huge sums being paid in ways not authorized.

Mr. Fielding knew on October 19 that Major Thomas Beattie, whose name appeared in the prospectus right before him as one of the directors, had given his emphatic denial that he had ever subscribed a cent or allowed his name to be mentioned in any way in connection with the bank. He had before him the judgment of the court given on the 27th October, 1906, containing particulars of fraud, for instance, that a Mr. Robert Noble, who subscribed $3,000, was put down for $10,000; that John Sproat and James Murray, who had each subscribed $1,000, were put down for $10,000, and that a Doctor Stewart,

who had subscribed nothing at all, was put down as subscribing $10,000. All Mr. Fielding had to do was to look at the list of subscribers and he would have seen that these men figured on the list as bona fide subscribers of the bank.

Mr. Travers told Mr. Fielding that he was authorized to ask for the certificate. Why did the minister not ask Mr. Travers to produce his authorization? I think he neglected an opportunity when he did not ask for it. Had he asked for it Mr. Travers could not have shown it, because he never had any authorization to ask for the certificate. If Mr. Fielding had asked to see the minute book of the provisional directors, he would have found there enough evidence to stop the whole thing. If he had asked Mr. Travers to show him the stock list as signed by the subscribers—and surely that was an easy thing to do—and had compared it with the list which was presumed to be a copy of the original list, he would have found at once that Travers had placed in his hand a fake list. There is no doubt about that, and I contend that that is an indication of negligence on his part. The minute book would have shown the Minister of Finance that the directors had collected from subscribers $210,000 in cash, and had paid out $41,000 improperly for commissions and expenses. It would have shown that Travers had borrowed $80,000 on subscribers' notes, all in contravention of the Bank Act. The Treasury Board had most direct and positive notice of the frauds. They had Henderson's warning; they had E. B. Osler's warning; they had McCarthy's letters; they had McCarthy's suit before the high court; they had the warning of the Canadian Bankers' Association; they had Vankoughnet's letter of April, 1907, and they had the letters from Hotchkiss, the superintendent of insurance for New York state. Was there or was there not negligence in paying no attention to all these warnings and allowing the certificate to be handed out?

This parliament, Mr. Speaker, has at different times voted large sums of money for the relief of persons in distress. I remember that on one occasion this House voted a sum, the amount of which I now forget, for the relief of those who had suffered in Paris from the floods. We have also voted money to relieve those who suffered from disasters in Italy, in Newfoundland, and in San Francisco. Why did we do this? Those who had suffered in these different cases had no claim upon the parliament of Canada except the claim of common humanity and common citizenship in a broad sense, but we voted the money of this country to these people who had suffered through no fault of their own. I am asking this House now to grant relief, not to people who live in other countries and have suffered loss through no fault of their own, but to farmers in various parts of the province of Ontario who through no fault of their own suffered loss through the failure of the Farmers Bank, and who feel embittered because they feel that in a measure at least the loss that they sustained was due to neglect upon the part of the government before the certificate was granted to the bank. I might add that only a short time ago parliament voted an annuity of $10,000 to the Hon. W. S. Fielding. There was no opposition to that. I was not a member of the House at the time, but I took occasion, as a former member of parliament, to write to the press in my part of the country at that time commending the government for this recognition of a man who had given such long and distinguished service to his country as Mr. Fielding had, but it is only natural that those who lost their all in the failure of the Farmers Bank, and in most cases the losses fell upon men in very moderate circumstances who could ill afford to lose, should have some little feeling of resentment or bitterness against the man who was at the head of the Treasury Board at that time. That feeling of bitterness I venture to say, would not be lessened by the fact that parliament saw fit to grant to him an annuity of $10,000 for the rest of his life.

I appeal to the government to do this act of justice, not only because it is an act of justice to those who suffered, but because it is due also, I think, to the Hon. W. S. Fielding, for fifteen years Finance minister and identified with the public service of this country for so long, in order to remove from the hearts of those who suffered the bitterness which it is only natural they should feel against those who were in charge of affairs at that time. I appeal also on the ground of compassion, because I take it that relief was granted to the Home Bank depositors on two grounds; first the moral claim in equity—I am not sufficiently versed in the law to know exactly what that means, but I know what you are driving at anyway, that there was a moral responsibility resting on the government because of negligence or error of judgment upon the part of Sir Thomas White and the Treasury Board in connection with the Home Bank, and that I believe was the main ground for the relief that was granted—and secondly, the compassionate ground. That would apply also to the loss through the failure of any bank. It applies with particular force in this case because, I repeat, of all the banks that have

failed in Canada since more than fifty years, the Farmers Bank is the only one where the depositors have received nothing whatever from the liquidator winding up its affairs.

I therefore move this resolution, Mr. Speaker, and beg most earnestly that the government will give it their very serious and favourable consideration. The amount involved is very small. Following the line adopted in the case of the Home Bank and the restrictions placed on the relief granted in that case, I venture to say, without being in a position to speak positively that the amount involved would perhaps be not more than $300,000. I have placed this matter before the government and before parliament because I felt it my duty to do so. There were a number of losers in my county, where the loss amounted to about $125,000. That is sufficient warrant for me, as the representative of that constituency, in appealing for the favourable consideration of this resolution by parliament.

Mr. T. H. STINSON (Victoria, O.): Mr. Speaker, I desire to support the resolution moved by the hon. member for Frontenac-Addington (Mr. Edwards), not that I think the principle is a sound one, but on the ground that we should hand out even justice to all. This House has granted relief to the depositors of the Home Bank, and that relief was granted on two grounds: first, to ameliorate the hardship which had been created by the failure of that bank, and secondly, on the ground that had the government acted earlier when rumblings were heard as to the unsatisfactory condition of the bank the loss to the depositors would not have been so great. Parliament, after due consideration, of both grounds, granted relief, and it was a godsend to many people in this country who had lost their all in the wreck and were at an age when their earning power was gone. If we were justified in 1925 in giving consideration to the depositors of the Home Bank, are we not justified in giving consideration to the depositors of another bank if similar conditions exist? In this case we claim that similar conditions do exist, on both grounds, on the compassionate ground, and on the ground of a moral claim for relief. If we treat one set of persons in Canada in a given way so far as the public treasury is concerned, are we not bound to treat another set of persons in identically the same way when conditions are the same?

Let us look for a few moments at the conditions surrounding the failure of the Farmers Bank. It suspended payment on the 19th day of December, 1910, with savings deposits amounting to $989,300. The bank was incorporated in 1904 by 4 Edward VII, Chapter 77, with a share capital of $1,000,000. Under section 16 of the Bank Act, unless it received its certificate to do business within one year, all its rights lapsed. The time for obtaining this certificate was extended in 1905, and again in 1906.

To obtain its certificate the bank must have $500,000 subscribed capital, of which $250,000 is paid up. This bank had great difficulty both in getting subscriptions and in getting payment for the part that was subscribed. Instead of collecting the $250,000 in cash, as it should have done under the provisions of the Bank Act, notes were taken from subscribers, and upon these notes moneys were raised to make the necessary deposit with the Dominion treasury. It was on the granting of that certificate allowing the bank to commence business that the obligation of the government rests.

A royal commission was appointed in 1913 to investigate the facts in connection with the organization and failure of the Farmers Bank. Sir William Ralph Meredith was appointed a commissioner and the commission directed him to investigate all material facts relevant to:

(a) The incorporation by act of parliament and the organization thereof.

(b) The application for and the giving by the Treasury Board of the certificate permitting the bank to issue notes and to commence the business of banking.

(c) The conduct and operation of the business of the bank, the amount of capital subcribed and paid up, the causes of suspension and failure, the extent of the liabilities and the value of the assets.

A deposit was made with the government on 23rd October, 1906, of $250,000. A meeting of the board of directors of the bank was held on the 22nd November, 1906, to pass resolutions authorizing them to apply for a certificate to commence business. The application was made on the next day to the Treasury Board. The Treasury Board met on the 30th November, 1906, and the certificate was authorized and issued the next day. The bank opened for business on 2nd January, 1907, and suspended payment on 19th December, 1910. The prospectus which was issued and filed in March, 1906, contained the names of various persons whom the promoters considered would act as directors if elected. Four of these men gave evidence before the royal commission and stated that no such consent had ever been given by them. The applications for stock provided for the payment of $10 down, $20 on allotment, and the remainder in seven monthly payments of $10

each. In a number of cases promissory notes were given payable twelve months after date to the Farmers Bank. In many cases no payments were made with the application or upon allotment. Chief Justice Meredith, at page 6 of his report, says:

> It is not open to question that $500,000 of the capital stock had not then been subscribed, and that $250,000 had not been paid by the subscribers.

On the 9th day of October, 1906, Travers borrowed from the Trusts and Guarantee Company $80,000, repayable in a month, on the security of promissory notes of subscribers amounting in the aggregate to $100,000, upon which he agreed to pay interest at the rate of ten per cent and a bonus of $1,000. On the 23rd October, 1906, he borrowed from the same company a further $20,000, repayable on demand, on the security of promissory notes of subscribers, amounting in the aggregate to $26,500, agreeing to pay a bonus of $500.

Chief Justice Meredith further says that in dealing with these notes the provisional directors and Travers were guilty of a breach of trust for the manner in which the money was borrowed and applied and that there was neither justification nor excuse for it. At page 8, he says:

> My conclusion on this branch of the inquiry is that the Treasury Board was induced to give its certificate by false and fraudulent representations on the part of Travers, and that if the facts I have mentioned as to the way in which the $250,000 was made up had been disclosed, the certificate of the Treasury Board would not have been given.

He further states that if the information which was given to the minister verbally by Sir Edmund Osler and Mr. David Henderson, to the effect that the money had been borrowed and had not been paid by subscribers had been disclosed to the Treasury Board, in his opinion the certificate would never have been granted.

Sir Edmund Osler was examined before the commission and I read the following from his evidence:

> Q. What was your interview with him, what occurred during that interview?—A. I told Mr. Fielding that I had knowledge that the money that was deposited there was practically obtained by false pretences, that it was not bona fide money obtained by stock subscripions.

Similar evidence was given by Mr. David Henderson, and by the letter which was read by my hon. friend from Frontenac, written by Leighton McCarthy, setting forth the full facts, a few days before the deposit was made. If the further information as given by Mr. McCarthy, who was acting in the matter for certain disgruntled shareholders, or those who had given subscriptions, had been acted upon then the certificate would never have been granted. Chief Justice Meredith finds that the officials of the Department of Finance appear to have treated Mr. McCarthy's letter as if it had never existed. He further states:

> It is true that, as Mr. Fielding stated in evidence, Travers, so far as he knew, was a reputable banker, but that was not in my opinion a sufficient reason for not having instituted an inquiry as to the matters which had been called to his attention. Such an inquiry could easily have been made, and the delay occasioned by it would have been inconsiderable, and such an inquiry would, undoubtedly, have resulted in the discovery of the manner in which the $100,000 had been raised and in the refusal of the Treasury Board to give the certificate.

It would appear therefore that if the certificate had never been granted the depositors would not have lost their money, because the bank could never have started operations without a certificate.

The above facts have been substantiated by the sworn testimony taken before the commission. This House of Commons granted a measure of relief, but the bill was defeated in the Senate. If you consider the other phase of the matter, with reference to compassionate allowance, it may be said that this matter is now some sixteen years old and that it is too late to grant relief on that ground. But is that a sufficient answer to the claim? If there are a number of people in this country who lost their all in the wreck of the Farmers Bank who since that time have been reduced to a state of penury, and are still living in that condition, then is it too late for this parliament to grant relief? I say not. We are asking for just the same consideration for the depositors in the Farmers Bank as was meted out to the depositors in the Home Bank. I know a man some sixty-eight or sixty-nine years of age who owned his home, and who sold out a little business two days before the suspension of the Farmers Bank. He deposited all his money in the Farmers Bank, and when the bank failed he had not a dollar left. His money was gone and his earning power was gone. Since that time he has tried to support himself by such little jobs as he could get, and his family are now taking care of him. Surely that case is worthy of consideration. I ask that relief be granted to those who are in straitened circumstances, to those deserving cases. If we take thirty-five per cent of the total savings on deposit, $989,300, it will amount to $346,255. There

are no doubt a great number in that class, who would not and could not make the application on the lines laid down by the legislation in regard to the Home Bank. The result would be that only a small sum would be required to take care of the needy cases and those in straitened circumstances.

The Farmers Bank was conceived in iniquity and born in sin and its very name appealed to citizens of limited means. The business man, the manufacturer, the professional man, had his bank arrangements made; the people who did patronize the bank were those of limited means and they should be given some consideration.

To commence with, a mistake was made in the granting of the certificate. That may be safely assumed without casting any aspersions on the Right Hon. Mr. Fielding. He was a very excellent minister of the crown and is greatly respected throughout the whole Dominion. But with the great pressure of business surrounding him he could easily make that mistake. The evidence does show that a mistake was made in the granting of the certificate, or at least that it was granted without sufficient investigation.

Now, it is never too late to right a wrong, and we are asking only for the same measure of relief in this case as was meted out to the depositors of the Home Bank. Therefore I strongly support the resolution of the hon. member for Frontenac (Mr. Edwards).

Mr. R. K. ANDERSON (Halton): Mr. Speaker, as the facts in connection with the failure of the Farmers Bank have been placed before this House so well by the hon. member for Frontenac (Mr. Edwards), and as I drew them to the attention of the House in 1924, and as they were also presented to the House in 1925, I do not think it is incumbent upon me now to reiterate those facts. But I have them under my hand, and they are available to any member who will take the trouble to consult the report made by the commissioner, the late Sir William Meredith, who investigated the failure of the bank.

In my county of Halton a large number of depositors lost about a quarter of a million dollars by the failure of the Farmers Bank, and a good many shareholders also lost their investment and had to pay double liability. It was principally the men from that county who took action against Travers and the directors of the bank, charging them with fraud and misrepresentation in securing the bank's charter. I knew most of them personally. Persons subscribed for shares, although they could not pay for a single share, and they never did pay for the shares allotted to them. Those who took action against Travers and the directors engaged Mr. Leighton McCarthy to conduct their case, and the Right Hon. Mr. Fielding was notified of the fact. The facts adduced before the commissioner, the late Sir William Meredith, who was appointed to investigate the failure, proved absolutely that the government, through the Treasury Board, had notice of misrepresentation and perjury in connection with the application for a certificate, and it was acknowledged by that board. The Treasury Board is part of the government itself. The Minister of Finance for the time being is the chairman of the board, and consequently the representations made to it were made to the government itself. Therefore the government, through the Treasury Board, was responsible to the public in seeing that their interests were guarded in granting the promoters of the bank a certificate to carry on operations. It follows that the failure of the Treasury Board—the government—in this respect was negligence of the first degree.

As the charter was obtained by misrepresentation and fraud, it is not surprising that utter recklessness characterized the management of the bank. We know that dividends were paid out of capital. The directors were farmers, the majority of them from my own county—sound business men and successful farmers, but absolutely ignorant of banking, and they had to depend entirely on the advice of the general manager, Travers, who was proven to have perjured himself before the Treasury Board in securing the necessary certificate. The Treasury Board, having been warned of the misrepresentation and fraud practised by Travers, should have refused to grant the certificate.

In 1925 when the grant for a compassionate allowance to the depositors of the Home Bank was passed in this House Mr. Kennedy, the then member for Glengarry and Stormont, moved an amendment for the purpse of granting to the depositors of the Farmers Bank a similar measure of relief. The hon. member for Laprairie-Napierville (Mr. Lanctot) also moved an amendment requesting similar consideration for the depositors of La Banque du Peuple, La Banque Ville-Marie and La Banque de Saint-Jean. These two amendments, however, were voted down by a large majority. I voted against the resolution to grant relief to the depositors of the Home Bank because of the fact that the government had refused to consider the case of the unfortunate depositors in the defunct Farmers Bank.

Now, Mr. Speaker, in this democratic country all the people are supposed to be

equal and the humblest subject is at liberty to seek redress at the foot of the throne. Well, parliament is the highest court in the land, and on the occasion to which I refer, had the case of the depositors in these two defunct banks been presented by a couple of members, I am satisfied that the government would not have said to one: "We will give you a certain measure of compassionate relief"; and to the other, "We will not grant you any compassionate relief at all." When members representing the interests of a large number of people come before parliament and present two cases which in every respect are of equal merit, those two cases should receive the same equitable treatment from the government. But the case of the Farmers Bank depositors is eminently stronger than that of the Home Bank depositors. It has been proven to the hilt that if by reason of negligence the government, through the Treasury Board, were responsible to the depositors of the Home Bank, they are in still greater measure responsible to the depositors of the Farmers Bank. On that ground I submit that the government should accept this resolution and give a like measure of relief to the depositors of the Farmers Bank.

There is one other matter that I wish to bring to the attention of the Minister of Finance. Although it is seventeen years since the failure of the Farmers Bank, it is not yet wound up. At least in 1924 no return had been received by the Finance department from the liquidator with regard to the position of the liquidation proceedings, nor had any shareholder or depositor of the bank been notified. On two occasions I wrote the liquidator, but, receiving no answer, I took the matter up with the Minister of Finance, from whom I learned that there is still in the hands of the liquidator about $16,000 which has not been distributed. I would ask the Minister of Finance to look into the matter and request the liquidator, Mr. E. R. C. Clarkson, to have a final accounting made of the affairs of the Farmers Bank.

I support the resolution introduced by the hon. member for Frontenac-Addington (Mr. Edwards). It is one which I think should receive the very sympathetic consideration of the government. We have established the precedent that the depositors of a bank that has failed because of negligence on the part of the Treasury Board shall receive a compassionate allowance or, as the resolution puts it, that their claim in equity shall be accepted and considered by the government. The government has now an opportunity of doing what is nothing but justice to the depositors of the defunct Farmers Bank. Although some of them are in their graves they have left dependents who should receive consideration. I know that many of these people were hard hit by the failure of that bank. There was considerable suffering in consequence and I know that in one case at least the man who lost his money lost his reason. I also know that members of the directorate of the Farmers Bank were stripped of every dollar they owned. Men advanced in years have been compelled to work for their daily bread because of the total loss of their funds in the destruction of that bank. These particular depositors would not come in for consideration under this resolution. Having large sums invested in the bank in the way of stock, their double liability consumed the remainder of their capital; and their deposits would be too large to come under such legislation as was passed in this House in connection with the Home Bank failure. I again ask the Minister of Finance to take the matter into serious consideration.

[Mr. R. K. Anderson.]

Mr. H. A. STEWART (Leeds): I desire in the first place to congratulate the hon. member for Frontenac-Addington (Mr. Edwards) on the very able, concise, fair and complete manner in which he has presented the case to this the highest court in Canada. He has done it in a manner worthy of any advocate, although he is not a member of the legal profession. Starting at the beginning he has given only facts established by courts through investigation and set forth in the records, and I am sure that all who have heard his address must admit its convincing character and the strength of the case he has made out. So complete has been his review of the situation that little can be added, and it is therefore unnecessary for me to repeat anything he has said.

It is perfectly clear that the Minister of Finance and the Treasury Board are charged with a peculiar duty in connection with the incorporation of a bank, and we must, I think, come to the conclusion, on the undisputed facts as they have been disclosed by investigation, that in relation to the Farmers Bank that measure of care was not taken which the circumstances required, which the warnings that were given to the Minister of Finance demanded, and which it was undoubtedly his duty to exercise. This bank was certainly not regularly incorporated; it never had a real legal existence; and the irregularity of its existence was brought at a very early date to the attention of the Minister of Finance. But, strange to say, there was no investigation at that time, either by the min-

ister or by any official of his department. An investigation would undoubtedly have disclosed that these warnings were substantially true and should have led to such action as would have prevented loss on the part of the depositors. The matter has slept during all these years and is now revived because of the action of the government in connection with the Home Bank; and every fact that can be relied on and cited as a justification for the action of this parliament in relation to the Home Bank exists in this case and applies perhaps with greater force to the Farmers Bank.

It is said that this claim is a moral one. I do not know of any higher claim than one based on moral grounds. Again, the claim is based on the ground of hardship, and undoubtedly the failure of a bank brings hardship to its depositors. Certainly in this case hardship resulted to a class of depositors who could ill afford to lose their money. The amendment introduced in committee in connection with the Home Bank proposal did not submit to the House, in as full and complete a manner as we have heard unfolded to-day, the situation to be remedied. In fact, the case was not then well made out. To-day, however, after listening to the hon. member for Frontenac-Addington I am sure we must all be convinced that he has presented a stronger case for the relief of the depositors of the Farmers Bank than was made out for the relief of the Home Bank depositors. I hope that this matter will reach a division, if that is necessary, although I should hope that the Minister of Finance would admit the logic of the case and announce on behalf of the government its readiness to grant the same measure of relief to the Farmers Bank depositors as was extended to those of the Home Bank. I am anxious that the question should be disposed of before six o'clock, and for that reason I shall not further take up the time of the House. I shall support the resolution, confident that a stronger case has been made out for these depositors than was submitted in the case of the Home Bank.

Hon. J. A. ROBB (Minister of Finance): My hon. friend from Frontenac-Addington (Mr. Edwards) who introduced the resolution asked us to consider it fairly and squarely. I think we are all disposed in this House to face issues fairly and squarely, but listening to the hon. gentleman's speech I felt—perhaps it was unintentional on his part, and perhaps I was somewhat sensitive in the matter—that he was not altogether fair to my predecessor, who, as everyone knows has been ill at home in bed for a long time. He is not here to defend himself, and I did think that my hon. friend was going a little too far in his attack on the Right Hon. Mr. Fielding when he tried to prove to a House composed of members who know very little of this old Farmers Bank question—because it is an old question—negligence on the part of the Minister of Finance of that day. I submit to my hon. friend that a fair reading of the records will go to show that whoever was to blame for the issuing of the charter to the Farmers Bank, it was not the former Minister of Finance, the Right Hon. Mr. Fielding. Why do I say this? Because the records show that on many occasions Mr. Fielding had absolutely refused to give a charter to this bank. Finally the matter was brought before the banking and commerce committee, and notwithstanding the objections of the then Finance minister, Right Hon. Mr. Fielding, the committee decided that there should be an extension of time in connection with the charter of the Farmers Bank. Mr. Fielding pointed out, and very properly so, that he objected, first to this company going on and doing business because he thought the name was intended to mislead people. He objected in the second place to renewing the charter because during the period the company had held it they had never been able to come up to the necessary requirements. This I propose to prove conclusively to the House a little later. Now a gentleman who was appointed by the government of Sir Robert Borden, a gentleman who for many years was the leader of the Conservative party in the province of Ontario, a gentleman who was recognized as one of the leading jurists of that province, after going very carefully into the questions connected with the failure of the Farmers Bank and very carefully looking up the record. said in the report which I have here under my hand that the Treasury Board did all they could do and were in no way responsible for the failure of the Home Bank, nor for giving it a charter.

Mr. ANDERSON (Halton): Is it usual to submit the application for a certificate to the banking and commerce committee, and does that relieve the Treasury Board of responsibility?

Mr. ROBB: I am emphasizing this point because we are dealing with a familiar story. Sometimes we are told that ministers are a bit aggressive and that they are not quite fair. Sometimes people come before the banking and commerce committee and attempt to overrule the judgment of the Minister of Finance who has all the facts

before him and the records go to show that in this case the banking and commerce committee, composed of the representatives of different parties, overruled the Minister of Finance.

Now I said a moment ago that I proposed to submit to the House conclusive evidence from Sir William Meredith, and hon. gentlemen can find in sessional paper 153A, the report of this gentleman who was appointed to investigate the affairs of the Farmers Bank. I agree with my hon. friend who moved this resolution, and with the other speakers, that Travers, who was at the head of the bank, was incompetent and dishonest. The records go to show that that statement is correct. But when my hon. friends say there was negligence on the part of the Treasury Board and on the part of the Minister of Finance of that day, the report of Sir William Meredith, appointed by the government they themselves supported, is against any such contention. At page 10 of that report Sir William Meredith says:

> I am unable to find that in this there was any neglect of duty on the part of the department, or to see that anything more than was done could have been done.

That is not the statement of a partisan; that is the statement of an independent commissioner, Sir William Meredith, Chief Justice of the province of Ontario, who was appointed to investigate this matter.

Now what is the history of this Farmers Bank?

Mr. EDWARDS (Frontenac): Will my hon. friend permit me? What has he to say regarding the quotation I gave from Sir William Meredith's report that it was incumbent upon the Treasury Board to investigate these facts before issuing a certificate?

Mr. ROBB: Well, I have quoted from the report, and I wish to emphasize the point I am now dealing with in answer to my hon. friend's repeated statements this afternoon, that Mr. Fielding and the Treasury Board were to blame. Against that assertion there is the report of this independent commissioner.

Now what is the story with respect to the Farmers Bank? Its recital may take a little time, but for the information of hon. members who were not in the House then—and there are probably many who have quite forgotten the occurrence—I propose to put on record a statement of the events leading up to the organization of the Farmers Bank. Right here may I say that it was only this afternoon, listening to hon. gentlemen who were presenting the case, that I realized that one-fourth of the total loss in deposits occurred in one county alone. The Farmers Bank was incorporated by act of parliament in 1904. In 1905 its charter was extended by parliament up to the end of a period of two years from July 18, 1904. In 1906 the charter was further extended by parliament for six months from July 18. The certificate of the Treasury Board permitting the bank to issue notes and commence business was issued on November 30, 1906.

The Farmers Bank suspended payment on December 19, 1910. In answer to my hon. friend from Halton (Mr. Anderson) may I say that E. R. C. Clarkson & Sons were appointed liquidators, and their statement goes to show the state of affairs of the bank as at December 19, 1910. At that time the assets were $2,000,-250.05, the liabilities, $2,436,261.98, and the nominal deficiency $436,011.93. From a statement received from the liquidator showing receipts and disbursements for the period between December 10, 1910, and October 31, 1926, the following appears:

Receipts..	$1,372,829 22
Disbursements..	1,360,918 48
Balance..	$ 11,910 74

In addition to this balance there are assets consisting of $2,117 in the circulation fund and a property under option for $15,000 as to which there is uncertainty that the option will be taken up. The statement issued showed there would be no dividend to general creditors. My hon. friend from Halton says that although it is seventeen years since this bank failed there has been no accounting. I have a memorandum here which shows that on December 20 last, the liquidator, G. T. Clarkson, received his discharge from the Supreme Court of Ontario, all assets of the Farmers Bank having been realized upon and accounted for. So I imagine the matter has been cleaned up. If there was any other information in the department I should be very glad to give it to my hon. friend.

Mr. ANDERSON (Halton): I have a report which shows that in 1924 the balance was $15,951.37. If any statement made since then is in the possession of the minister I should be pleased to have a copy.

Mr. ROBB: I have no statement under my hand, but I imagine there must be such a statement because of the discharge of Mr. Clarkson with the announcement that all assets of the Farmers Bank have been realized upon and accounted for.

In addition to what I have already stated I may say that in 1911, on motion for committee of ways and means, Mr. Henderson, who was then member for Halton, moved in amendment:

> That a royal commission should be appointed to investigate the incorporation and organization of the bank, the granting of a certificate by the Treasury Board, and generally to investigate the operation and efficiency of the Bank Act.

That amendment was negatived. The trend of the argument was that the Treasury Board should not have issued the certificate, for the reason that the then Minister of Finance had been warned that subscribers were not paying cash, but giving notes in respect of their subscriptions. It was further stated that after the certificate had been issued, the department was warned by the manager of one of the branches of the bank that notes which had been given in reference to subscriptions for shares were being discounted at the various branches of the bank and the proceeds credited to head office.

Mr. Fielding, in speaking to the amendment on the 15th March, 1911, maintained that the time to have stopped proceedings was when the application for the charter was up before the banking and commerce committee. The bank was incorporated in 1904 and received extensions of its charter in 1905 and 1906, notwithstanding the objections of Mr. Fielding. In the latter year Mr. Fielding had opposed the granting of the charter, but the banking and commerce committee permitted a six months' extension, to which Mr. Fielding said that he had probably assented. Certainly if the banking and commerce committee were unanimous Mr. Fielding was not going to resist it, particularly as it was then represented that the committee were probably influenced by the argument that the country needed more banking capital; that there was a feeling in the country that the old banks had a monopoly of the business, and that if parliament opposed "the efforts of the farmers to have a share of the banking business of the country, you will be met by the cry that parliament is giving the old banks a monopoly." Mr. Fielding took the position, therefore, that:

> Parliament is responsible for the granting of the charter and I do not think that any reasonable ground of objection can be taken to the incorporation of the new bank in face of the fact that the incorporation of new banks is still regarded as generally desirable.

That was the position taken by Mr. Fielding at that time and I do not think that can be disputed. Mr. Fielding was in the House at the time and had access to the records.

Mr. McGIBBON: Does the minister take the same attitude towards issuing the certificate as he is taking towards issuing the charter?

Mr. ROBB: At present I am defending the position which Mr. Fielding took. Mr. David Henderson, who was then the member for Halton and also chief Conservative whip, was a very estimable gentleman. I was in the House with him. It is no wonder that Mr. Henderson was then doing all he could for the depositors in his constituency, because we have the statement to-day from the present member for Halton (Mr. Anderson) that the deposits in the county of Halton amounted to about $250,000. Mr. Henderson then made the statement that he had warned the minister against issuing the certificate. Mr. Fielding took issue with Mr. Henderson on this, stating that he had searched the file and that no such warning appeared in the record. It was emphasized this afternoon that Mr. Leighton McCarthy had warned the minister that there were irregularities and that a certificate should not be granted to the bank. It is true that Mr. Leighton McCarthy did at one time advise the minister to go carefully; but the records show that Mr. Leighton McCarthy had communicated with the department on behalf of his clients, objecting to the issue of a certificate on the ground that notes had been given in respect of subscriptions. Mr. McCarthy's letters were dated October 18 and 19, and on the second of November Mr. McCarthy withdrew his objection.

Mr. EDWARDS (Frontenac): Why?

Mr. ROBB: I have not got the letter.

Mr. EDWARDS (Frontenac): The hon. gentleman will pardon me. He could easily find out. Mr. McCarthy was acting as a lawyer on behalf of certain clients who, because of fraud, were asking to be relieved from their signatures as subscribers. Once he had got his clients relieved, his duty as a lawyer ended. He said: Yes, I do not object now, on behalf of my clients, to your issuing the certificate. I was objecting to it before.

Mr. ANDERSON (Halton): He never withdrew his charge of fraud.

Mr. ROBB: That goes to confirm that the minister was right in refusing to issue a certificate to this concern. A royal commission was issued on the 12th January, 1912, to the Honourable Mr. Justice Sir William R. Meredith. The commissioner states that in the method in which they dealt with the notes given in respect of subscriptions, the provi-

sional directors and Mr. Travers were "guilty of a breach of trust," and that for the manner in which the money borrowed was applied there was neither justification nor excuse. He referred to the letter of assurance from Mr. Travers to the minister, stating that these statements were in fact untrue, and the language used in his letter to the minister was deliberately chosen by Mr. Travers in order to make it appear that he was giving the assurance for which the minister had asked, while he was in fact not doing so and could not truthfully do so. In the report which I have under my hand from the commissioner—and I repeat it—the commissioner states as to the issue of the certificate, as follows:

> My conclusion on this branch of the inquiry is that the Treasury Board was induced to give its certificate by false and fraudulent representations on the part of Travers, and that if the facts I have mentioned as to the way in which the $250,000 was made up had been disclosed, the certificate of the Treasury Board would not have been given.

The commissioner refers to verbal information given to the minister by Mr. Henderson and Sir Edmund Osler, and a letter from Mr. McCarthy, and he adds:

> I do not suggest that the minister would have been justified because of the information conveyed to him in recommending that the certificate should not be granted, or that the Treasury Board because of it would not have been justified in refusing to grant it.

The commissioner refers to the letter from the manager of the bank at Milton to the Deputy Minister of Finance informing him that promissory notes given in payment for shares were being discounted at the bank's branches and the proceeds credited to the head office. The department called for a special return in that regard. The commissioner was unable to find that in this there was any neglect of duty on the part of the department, or that anything more than was done could have been done.

Mr. EDWARDS (Frontenac): That is in regard to Vankoughnet's letter.

Mr. ROBB: I am quoting from the commissioner's report.

Mr. EDWARDS (Frontenac): In a previous paragraph it is shown that the commissioner has reference there only to Vankoughnet's letter. My hon. friend is rather leaving the impression that that applies before the certificate was issued. If he had continued his quotation of a minute ago, another paragraph would have shown differently.

[Mr. Robb.]

Mr. McGIBBON: The minister is evidently reading from a carefully prepared brief. He is reading only one-half of the commissioner's report. Equally opposite opinions can be given from the other half.

Mr. ROBB: I am presenting my case. The hon. gentleman who was presenting his case this afternoon did so without any interruption. The commissioner adds:

> Notwithstanding irregularities on the part of Travers and his misconduct in connection with the application for the certificate which I have mentioned, the evidence satisfies me that if the bank had been prudently and honestly managed there is no reason why it should not have succeeded.

Perhaps this is what the hon. gentleman wishes:

> The promissory notes that had been given by subscribers were for the most part good and were subsequently paid, and while it is true that if the certificate of the Treasury Board had not been granted the money of the shareholders and depositors would not have been lost, the efficient cause of that loss was the recklessness and fraud of those entrusted with the management of the bank, and not the granting of the certificate.

That is the statement of the commissioner who was appointed, and I repeat, notwithstanding the arguments of my hon. friend this afternoon, that the report of the commissioner who was appointed to investigate this matter, states that the treasury department could not have done any more than they did do.

Mr. ANDERSON (Halton): If the same arguments are applied in the case of the Home Bank—that is, if the management had been honest—the Home Bank would not have failed.

Mr. ROBB: I never argued that the management of the Home Bank was everything that was desirable.

My hon. friend complains that the measure of relief which Sir Thomas White introduced into the House in 1914 for the depositors of the Farmers Bank was rejected by the Senate. That is not a new thing for the Senate to do. It amended very considerably the measure of relief we sent over to it in connection with the Home Bank, and I suppose the Senate was simply exercising its right in the case of the Farmers Bank after it had fully examined all the records.

I have just one other word to add. My hon. friend, it seemed to me, this afternoon was going just a little far in attempting to give to his constituents the idea—perhaps it was good politics—that it was the Liberal party, the Liberal government and its Liberal predecessors, who were responsible for not

having granted relief to the depositors of the Farmers Bank. As I say, in 1914 Sir Thomas White brought in a measure of relief for the depositors of the Farmers Bank, and that measure was defeated in the Senate. My hon. friend, if not directly, by implication indicated that it was defeated because the majority of the Senate at that time were not favourable to the government of the day. But thirteen years have passed since then, during seven years of which the government of which my hon. friend was a supporter, and later on a member, had a majority in both Houses, but during all those years they did not bring in a measure of relief for the depositors of the Farmers Bank. Why? Because that measure had been disposed of in 1914. To-day my hon. friend argues that we should come to the relief of the depositors of the Farmers Bank because we gave certain relief to the depositors of the Home Bank. It is true that we did give a measure of relief to the depositors of the Home Bank, but it was very strongly represented to us, and all the records of the department indicated, that there was some foundation for a claim in that case, because Sir Thomas White appeared before Mr. Justice McKeown, who was investigating the failure of the Home Bank, and gave evidence that under no circumstances would he have allowed any bank to close its doors during the period of the war, because the closing of one bank might have toppled over some of the others. That was the statement of the then Minister of Finance, and it was upon that statement that the representatives of the depositors of the Home Bank came to the government and said: "You have a moral responsibility. Had the Finance minister of the day closed the Home Bank in 1916, we who put in our deposits later would not have suffered." It was pretty hard to answer that argument, and it was upon that ground that relief was given.

I submit to my hon. friend who has presented this resolution, and to the House, that if we are going to reopen this question which has already been decided by parliament in 1914, and again decided in 1924 when an amendment to aid the Farmers Bank depositors was defeated in the banking and commerce committee—twice we have considered this matter, and twice parliament has decided that the depositors of the Farmers Bank are not entitled to any measure of relief—we should not only be reopening the case of the Farmers Bank, but we would have to go all the way back to the first days of confederation and examine the records of all the banks that have been mismanaged during that period.

I submit to the hon. gentleman and to the House that there is involved not a decrease of taxation, as was asked for recently in an amendment proposed from the other side and in an amendment proposed from the other corner, but rather an increase of taxation if we are going to introduce this principle.

Mr. PETER McGIBBON (Muskoka-Ontario): Mr. Speaker, I purpose taking up the time of the House for only a moment. The Finance minister (Mr. Robb) as usual has skated very skilfully around the subject matter of this resolution, and eventually he threw out the threat that the House must vote against this resolution because it would mean an increase of taxation. I think it would have been much fairer if the minister had chosen to meet the arguments of the hon. member for Frontenac-Addington and discussed this question on its merits.

Let me say at once that I am not discussing the principle of recouping the depositors of any bank. The fact of the matter is that this parliament has established a precedent in connection with the Home Bank, and I think any one who followed closely the argument of the hon. member for Frontenac-Addington must have come to the conclusion that the depositors of the Farmers Bank have a much stronger case than the depositors of the Home Bank ever had.

The Minister of Finance has confined his argument largely to the fact, as he says, that the Finance minister at that time had no warning of the condition of the Farmers Bank. He has quoted at considerable length from the report of Sir William Meredith, but he did not read it all, and for that reason I shall quote a few extracts. At page 8 of Sessional Papers, Volume 27, 1913, Sir William Meredith says:

> My conclusion on this branch of the inquiry is that the Treasury Board was induced to give its certificate by false and fraudulent representations on the part of Travers.

Further on he says:

> It is plain from the letter of the Finance minister to Travers, of 30th November, 1906, that the minister understood that section 13 of the Bank Act would not have been complied with if the $250,000 was made up wholly or in part of money raised on promissory notes given by subscribers for shares to the provisional directors and that he would have felt it his duty to recommend that the certificate should not be granted if he had known that part of the money had been raised in that way.

That is one point to which I wish to direct the attention of the Minister of Finance. Further on the commissioner says:

> That that information had been given to the minister before the certificate was issued appears from the testimony of Sir Edmund Osler and Mr. David Henderson and is shown by the

letter of the 19th October, 1906, of Mr. Leighton McCarthy to the minister, which appears in Exhibit 5, pp. 2, 3. In that letter Mr. McCarthy states as follows:

"I have received information that the alleged subscribers for shares paid a large sum of money in cash and have signed notes for other large sums of money and that the persons professing to act in the name of the bank have transferred notes and received the proceeds and that a deposit either has been or will be made of the cash received and the proceeds of these notes or sufficient amount to make up $250,000."

He says further:

That the verbal information I have mentioned was conveyed to Mr. Fielding was not denied.

He continues:

The officials of the Department of Finance appear to have treated Mr. McCarthy's letter as if it had never existed, and, in my opinion, in that they erred.

I submit, Mr. Chairman, that that proves that the Minister of Finance had been warned. He knew perfectly well that the Bank Act was not being complied with, and sufficient evidence had been brought to his attention to justify his investigating the affairs of the bank.

I do not wish to take up the time of the House further because the ground has been thoroughly covered by the hon. member for Frontenac (Mr. Edwards) and I am hoping that a vote will be reached before six o'clock.

I just wished to point out that the minister, in quoting from the report of Sir William Meredith, quoted only that part that suited his case.

The House divided on the motion (Mr. Edwards) which was negatived on the following division:

YEAS

Messrs:

Allan,
Anderson (Toronto-High Park),
Anderson (Halton),
Arthurs,
Barber,
Bell (St. John-Albert),
Black (Yukon),
Bowen,
Brady,
Campbell,
Cantley,
Casselman,
Cayley,
Chaplin,
Charters,
Cotnam,
Cowan,
Dickie,
Edwards (Frontenac-Addington),
Embury,
Esling,
Evans,
Fraser,
Harris,
Hepburn,
Johnstone (Cape Breton North-Victoria),
Jones,
Kaiser,
Ladner,
MacDonald (Cape Breton South),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacLaren,
McGibbon,
McGregor,
McRae,
Maybee,
Peck,
Price,
Quinn,
Rennie,
Robinson,
Rowe,
Ryerson,
Senn,
Short,
Simpson,
Sinclair (Wellington North),
Smoke,
Spence (Parkdale),
Stewart (Leeds),
Stinson,
Stirling,
Thompson,
Tummon,
Young (Toronto Northeast).—56.

NAYS

Messrs:

Adshead,
Auger,
Bancroft,
Beaubien,
Benoit,
Bettez,
Bissett,
Blanchard,
Blatchford,
Boivin,
Bothwell,
Bouchard,
Boucher,
Boulanger,
Bourassa,
Bourgeois,
Bradette,
Brown,
Cannon,
Cardin,
Carmichael,
Casgrain,
Chevrier,
Coote,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Desaulniers,
Descoteaux,
Dionne,
Donnelly,
Dussault,
Edwards (Ottawa),
Fansher (Last Mountain),
Fansher (Lambton East),
Fiset (Sir Eugene),
Forke,
Gardiner,
Girouard,
Goodison,
Hall,
Heaps,
Heenan,
Howard,
Howden,
Irvine,
Jenkins,
Johnston (Long Lake),
Kellner,
Kennedy,
King (Kootenay East),
Laflamme,
Lanctôt,
Langlois,
Lang,
Lapierre,
Lavigueur,
Letellier,
Lovie,
Lucas,
Macdonald (Glengarry),
MacLean (Prince),
McDiarmid,
McIntosh,
McKenzie,
McMillan,
McPhee,
McPherson,
Malcolm,
Marcil,
Millar,
Milne,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Morrissy,
Motherwell,
Neill,
Odette,
Perras,
Prévost,
Ralston,
Rinfret,
Robb,
Roberge,
Robitaille,
Ross (Moose Jaw),
St-Père,
Séguin,
Sinclair (Queens),
Smith (Stormont),
Spence (Maple Creek),
Spencer,
Steedsman,
Stewart (Edmonton West),
Sylvestre,
Taylor,
Telford,
Thorson,
Totzke,
Vallance,
Veniot,
Verville,
Ward,
Young (Saskatoon),
Young (Weyburn).—105.

PAIRS

Mr. MALONEY: I was paired with the hon. member for St. Ann (Mr. Guerin). Had I voted, I would have voted for the resolution.

Mr. FAFARD: I was paired with the hon. member for New Westminster (Mr. McQuarrie). Had I voted, I would have voted against the resolution.

Mr. LAPOINTE: I was paired with the hon. member for West Calgary (Mr. Bennett). I would have voted against the resolution.

Mr. DUBUC: I was paired with the hon. member for Toronto Northwest (Mr. Church). Had I voted, I would have voted against the resolution.

Mr. MacNUTT: I was paired with the hon. member for Hants-Kings (Mr. Ilsley). I would have voted for the resolution.

Mr. GERSHAW: I was paired with the hon. member for London (Mr. White). I would have voted against the resolution.

Mr. MERCIER (St. Henri): I was paired with the hon. member for West Hamilton (Mr. Bell). Had I voted, I would have voted against the resolution.

Mr. MARCIL: I was informed by the whip, Mr. Speaker, that all pairs had been declared off. I was paired with the hon. member for Argenteuil (Sir George Perley), but in view of that declaration I voted.

Mr. VENIOT: I am in the same position.

At six o'clock the House adjourned, without question being put, pursuant to rule.

Thursday, March 24, 1927.

The House met at three o'clock.

REPORTS OF COMMITTEES

Fourth report of the select standing committee on miscellaneous private bills.—Mr. Parent.

Report of the joint committee of both Houses on the printing of parliament.—Mr. Marcil.

ALLIED INDIAN TRIBES OF BRITISH COLUMBIA

Mr. F. W. HAY (North Perth) moved:

That the first report of the special committee to inquire into the claims of the Allied Indian Tribes of British Columbia be concurred in.

Motion agreed to.

32649—95½

PRIVATE BILL

FIRST READING

Bill No. 214, to incorporate Guardian Trust Company.—Mr. Kay.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

PORTSMOUTH PENITENTIARY

Mr. CHURCH:

1. Will the government order an investigation or enquiry into a riot or mutiny of inmates of Portsmouth penitentiary on Saturday, January 22 last, as reported in the press?
2. What were the causes thereof?
3. How many inmates were involved, how many were penalized, and how?
4. Under whose instructions were these penalties imposed, if any, and under what statute?
5. Is it the custom for assize grand juries to visit these institutions, and if not, why?
6. Are these institutions inspected, and by whom?
7. Who are the inspectors, what are their duties, what are their qualifications, and what salaries are paid them?
8. Are inmates classified and how?
9. What special classification is there for first offenders?
10. Are the terms of motion of last session adopted by this House to grant pay to dependent relatives being carried out, and, if so, how?
11. Is the government considering a complete reorganization of the whole staff of the aforesaid institution?
12. Will the whole question of prison reform be referred to a commission to investigate and report on in the next recess of parliament, or is it under consideration?

Hon. Mr. LAPOINTE:

1. The matter has already been fully reported on and the staff of the Kingston penitentiary congratulated by me for the way in which they handled the situation.

2. Insubordination on the part of inmates working in one of the shops.

3. (a) 114 were more or less involved. (b) and (c) This information is treated as strictly confidential and ought not to be furnished excepting upon an order of the House.

Some thirty inmates could have been sent out to court and given long terms of imprisonment for what they did, but in penitentiaries, the object is to deal as leniently with inmates as they themselves, by their conduct, will permit.

The warden of a penitentiary has not an enviable task; in fact his task is a most difficult one, and at times calls for very stern and drastic action in order that the place may

be made safe for the great majority of fairly decent men who are sentenced to incarceration therein.

No brutality is permitted in Canadian penitentiaries.

The superintendent was at the penitentiary on January 18 last, and was in almost every portion of it and did not receive one complaint from any inmate regarding any subject.

4. By the authority of the warden under chapter 147, the Penitentiaries Act, also section 179 of the penitentiary regulations.

5. (a) No. (b) Grand juries are appointed by and acting for provincial governments. They have, therefore, no jurisdiction in Dominion government institutions.

6. (a) Yes. (b) by the superintendent and inspectors of penitentiaries, engineers of penitentiaries and auditor.

7. (a) Mr. Gilbert V. Smith, Mr. H. C. Fatt and Mr. E. R. Jackson. (b) To thoroughly inspect everything in connection with the administration of a penitentiary and report to the superintendent the result of such inspection. (c) Mr. G. V. Smith has over 30 years' experience in penitentiary work. He is well qualified for the position of inspector. Mr. H. C. Fatt is inspector and auditor. He has over 30 years' experience in penitentiaries and in the handling of the criminal. Mr. E. R. Jackson is industrial inspector, and has apart from his duties as inspector generally the inspection of the various industries. (d) Salaries of inspectors range from $2,820 to $3,300 per annum.

8. Inmates are classified in so far as is possible within the one and same institution.

9. First offenders are segregated in so far as possible in the trade shops where they are under close observation of an officer continually.

10. The means and methods of carrying out the recommendations of parliament are under consideration.

11. No.

12. No. The handling of the criminal is today recognized as a science and as experts from all countries openly state that the Canadian penitentiary system is in advance of that seen elsewhere it is respectfully submitted that no commission to investigate Canadian penitentiaries is either desirable or necessary.

COLD LAKE GUARDIAN OF FISHERIES

Mr. SPENCER:

1. Did L. W. Shaw apply on the 13th of September, 1926, for the position of guardian of Fisheries for Cold Lake?

2. Being a family man and a member of the Canadian expeditionary force for nearly five years, for what reason was he refused the position?

3. Were there any other applications in before that made by L. W. Shaw? If so, how many and from whom?

4. Did L. W. Shaw send references supporting his application on 18th of October, 1926?

5. On what grounds was Mr. Turcotte of St. Paul de Metis appointed to the position of guardian of fisheries in preference to L. W. Shaw, when the former lives many miles away, while the latter lives at Cold Lake?

6. Is Mr. Turcotte a single man?

7. Did he serve in the Canadian expeditionary force?

Hon. Mr. CARDIN:

1. Yes.

2. The appointment of Mr. Turcotte was considered advisable.

3. Yes. Two; Mr. Stanley McKenzie, dated September 1, and D. H. O'Meara, dated September 10.

4. Yes.

5. Answered by No. 2.

6. Yes.

7. No.

AUTHORITY OF PROVINCIAL LEGISLATURES

Mr. NEILL:

1. Did the government receive from the Lieutenant-Governor of British Columbia a copy of a resolution unanimously passed by the Legislature of that province on December 17, 1924, the last paragraph of which read as follows,—

"Be it further resolved, That the government of the Dominion of Canada be respectfully requested to grant adherence on the part of Canada to no treaty or binding international obligation in any form whatsoever having the effect of limiting the authority or power of provincial legislatures in respect of the regulation of social and industrial activities within the provinces; and, further, that the government of the Dominion of Canada be respectfully requested to forthwith take the action necessary to bring about the denunciation of any and all treaties in so far as the terms and provisions of the same have the effect of depriving the Dominion of Canada of the power of regulation, control and prohibition of Asiatic immigration"?

2. Has the government taken any steps towards carrying out the desires of the British Columbia legislature as therein expressed?

Right Hon. Mr. MACKENZIE KING:

1. Yes.

2. The representations of the legislature are receiving the careful consideration of the government.

CANADIAN INTERESTS IN CHINA

Mr. GARLAND (Bow River):

1. What is the approximate number of Canadian nationals in China?

2. What is the approximate amount of Canadian investments in China?

3. Has the government considered the advisability of raising the status of the Canadian commissioner in China to that of consul?

Right Hon. Mr. MACKENZIE KING:

1. No detailed census is taken in China, and no information is available as to the number of Canadian nationals. The Chinese maritimes customs estimates the number of British subjects in China at about 14,000.

2. No information.

3. The general question is receiving the consideration of the government.

LEEDS GOVERNMENT EMPLOYEES

Mr. STEWART (Leeds):

1. Have charges of political partisanship been made against any government employees in the county of Leeds, Ontario?

2. What is the name or names of the party or parties making such charges?

3. Have such charges been made in writing?

4. Has one Arthur G. Parish been appointed or authorized to investigate such charges?

5. Will the parties charged be allowed to have counsel on such investigation?

6. Will the commissioner take a shorthand record of the evidence and proceedings?

7. Is it the intention of the government to dismiss any employees who may be found by said commissioner to have been guilty of political partisanship?

Hon. Mr. RINFRET: Stands as order for return.

Mr. STEWART (Leeds): This seems to be a very simple question capable of a short and complete answer, and I see no reason why it should stand as an order for return.

Mr. RINFRET: The main reason is that inquiry must be made from all departments. I have no objection to allowing it to stand as a question, but it may take a little time to get the information.

Mr. STEWART (Leeds): I would rather have it stand as a question.

Mr. RINFRET: Stands.

Question stands.

QUESTION PASSED AS ORDER FOR RETURN

HUDSON'S BAY COMPANY

Mr. KELLNER:

1. Has the Hudson's Bay Company obtained any crown lands in Canada since 1921?

2. If so, in what provinces, in what districts in each province, and what was the date of transfer?

3. By what authority were these lands transferred?

CANADIAN NATIONAL RAILWAYS

FREIGHT RATES TO BE CHARGED ON EASTERN LINES

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved,

1. That it is expedient to bring in a measure respecting the tariff of tolls to be charged on certain lines of railway now operated as a part of the Canadian National railways and situated within the provinces of New Brunswick, Nova Scotia and Prince Edward Island, and the lines of railway similarly operated in the province of Quebec extending from the southern provincial boundary near Metapedia and near Courchesne to Diamond Junction and Levis.

2. That for accounting purposes the revenues and expenses of the said eastern lines shall be kept separately from all other accounts respecting the construction, operation or management of the Canadian National railways and in the event of any deficit occurring in any fiscal year in respect of the eastern lines, the amount of such deficit shall be included in a separate item in the estimates submitted to parliament for or on behalf of the Canadian National railways at the first session of parliament following the close of such fiscal year.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

HALIFAX HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to incorporate the Halifax Harbour Commissioners, and to make provision for the improvement, management and regulation of the harbour of Halifax, in the province of Nova Scotia.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

ST. JOHN HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to incorporate the St. John Harbour Commissioners, and to make provision for the improvement, management and regulation of the harbour of St. John, in the province of New Brunswick.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

COMPENSATION TO GOVERNMENT EMPLOYEES

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the act respecting compensation where employees of His Majesty are killed or suffered injuries while performing their duties (1918, c. 15), to provide that compensation to employees in Prince Edward Island shall be the same as to employees in New Brunswick, and that any compensation awarded and any remuneration and expenses payable to any board, officer or other authority in this regard may be paid out of any unappropriated moneys in the consolidated revenue fund of Canada.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

SPECIAL WAR REVENUE ACT AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the Special War Revenue Act, 1915, to provide for a more adequate enforcement of the act; to prevent evasion of taxes; to impose additional penalties for neglecting to file returns and for default in payments or the destruction of records; and to make provision for the recovery of amounts due.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

FRUIT ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the Fruit Act (1923, c. 15), to provide by regulation for the inspection of fruit intended for export, and the issuing of an export certificate or permit therefor, and for the fees for such inspection certificate or permit.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

LIVE STOCK ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the Live Stock and Live Stock Products Act, 1923, and to make further provisions as to membership in live stock exchanges, the inclusion of co-operative associations, the rules, regulations and by-laws to be applicable to such exchanges, and penalties for violation of the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

BONUS TO COKING PLANTS

Hon. CHARLES STEWART (Minister of Mines) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide encouragement for the production of a domestic fuel by heat treatment from coal mined in Canada, by means of cash payments made to those who produce such fuel in new plants from Canadian coal.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

CIVIL SERVICE SUPERANNUATION ACT AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the Civil Service Superannuation Act, 1924, and to make such further provisions respecting allowances, benefits and contributions as may be deemed necessary for a better administration of the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

CIVIL SERVANTS' WIDOWS' ANNUITIES

Hon. J. A. ROBB (Minister of Finance) moved that the House go into Committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide annuities for the widows of certain civil servants.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

CANADA GRAIN ACT AMENDMENT

Hon. JAMES MALCOLM (Minister of Trade and Commerce) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the Canada Grain Act (1925, c. 33) in respect to the issue of warehouse receipts by a private terminal to the shipper or his consignee, and as to the contents of warehouse receipts issued by the person operating any country elevator.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

PENSION ACT AMENDMENT

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the provisions of the Pension Act relating to the Federal Appeal Board, and to designate the number of members of which the board shall consist, the duration of their term of office, and their eligibility for reappointment.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

BUSINESS OF THE HOUSE

PRIVATE MEMBERS' DAYS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That on Monday, the 28th of March instant, and Wednesday, the 30th of March instant, and every Monday and Wednesday thereafter to the end of the session, government notices of motions and government orders shall have precedence over all business except questions by members and notices of motions for production of papers.

Mr. ROBERT GARDINER (Acadia): I would suggest that this motion stand in abeyance for some time at least, for various reasons. The Prime Minister and the House will remember, first, that the number of private members' days has been considerably curtailed because of the Christmas adjournment, and secondly, the time has been largely taken up by the discussion of the Georgian bay canal bill. I suggest to the minister that, for some time at least, private members be permitted to retain Monday, and I ask the Prime Minister to give this matter consideration before pressing the motion to a vote.

Mr. MACKENZIE KING: I understand my hon. friend is agreeable to having the motion carried so far as Wednesday is concerned, but would like to have the question in regard to Monday stand for the present?

Mr. GARDINER: Yes.

Mr. MACKENZIE KING: I do not wish to go contrary to the wishes of the House in the matter. I am quite willing to amend the motion to take Wednesday of next week as a government day; but I propose that on the Wednesdays following government motions shall have precedence, leaving over for further consideration the question as to reserving Monday for private members. I would therefore move:

That on Wednesday, the sixth of April next and every Wednesday thereafter to the end of the session, government notices of motions and government orders shall have precedence over all business except questions by members and notices of motions for the production of papers.

Motion as amended agreed to.

IMPERIAL CONFERENCE

On the Orders of the Day:

Mr. C. H. CAHAN (St. Lawrence-St. George): Is the right hon. the Prime Minister in a position to state approximately when the recent report of the Imperial conference will be submitted to the House for consideration?

Mr. MACKENZIE KING: Tuesday, of next week, on the orders of the day, might be an appropriate time at which to take up the proceedings of the Imperial conference. As to procedure, the government has thought it would probably suit the convenience of the House if, on motion to go into supply, a statement were made with respect to the Imperial conference proceedings and hon. members could speak with reference thereto

before the Speaker leaves the chair. Thereafter we would go into supply, on the estimates of the Department of External Affairs, at which time incidental matters could be taken up more in detail. I think it would be advisable to adopt the procedure I have mentioned.

Mr. CAHAN: Is it not the intention of the government to submit to the House a resolution approving of the terms of the Imperial conference report?

Mr. MACKENZIE KING: In this respect the government intends to follow the example of the parliament at Westminster, an example which I think has been followed by the parliaments of the various dominions, including this country, on former occasions. There has not been, except with reference to a specific part of any report, any formal resolution in regard to the proceedings. The government therefore does not propose to bring in any formal resolution with regard to the proceedings as a whole. If any hon. member wishes to introduce a formal resolution either approving of or taking exception to any feature of the report of the conference he is of course, at liberty to do so.

Mr. CAHAN: Will that be on an amendment to the motion to go into supply?

Mr. MACKENZIE KING: An amendment can if desired be moved at that time; on the motion to go into supply an amendment can be made, as the hon. member knows. It is for each hon. member for himself to decide the time at which he shall bring in a motion and what form it shall take.

Hon. HUGH GUTHRIE (Leader of the Opposition): I think we have all understood that some form of ratification by this parliament was necessary.

Mr. MACKENZIE KING: No.

Mr. GUTHRIE: How will the Imperial authorities know whether we approve or disapprove of it?

Mr. MACKENZIE KING: I have just said the procedure in all the parliaments in the empire is identical on this respect. The government of Great Britain has not submitted to the British parliament a formal resolution with respect to the conference; neither have the governments of Australia, South Africa, New Zealand or any other country. With respect to the present report we do not propose to adopt a course of procedure different from that adopted by the other parts of the empire.

Mr. GUTHRIE: After the conference of 1923 we had resolutions on the order paper in respect to the treaty-making power, or the manner in which the treaty should be signed, the work of the conference, and we expressly ratified it in this House by resolution. What is to be the notice to the various overseas dominions that the parliament of Great Britain has accepted this proposal as binding? How are we to know when it comes into force unless some special action is taken by the parliament of Great Britain and by the parliaments of the overseas dominions? It is not in force now.

Hon. ERNEST LAPOINTE (Minister of Justice): I point out to my hon. friend that in Great Britain they found it necessary to have legislation on one particular matter only, and that was with regard to changing the title of His Majesty the King. I understand a bill has been passed by the British House of Commons in regard to that. As regards other matters upon which legislation is not necessary nothing has been done. If any hon. member wishes to criticize he is at liberty to do so.

Mr. GUTHRIE: Criticize what? There is nothing to criticize. There is no resolution before this parliament.

BRITISH COLUMBIA HALIBUT FISHERY

OBJECTION TO LICENSES FOR JAPANESE FISHERMEN

On the Orders of the Day:

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): My attention was called the other day to an item appearing in a British Columbia paper regarding fears expressed by some people that large numbers of Japanese were going into halibut fishing. We have no definite information in regard to that.

In answer to a question asked by my hon. friend from Victoria, B.C. (Mr. Tolmie), I may say that halibut fishing is carried on mostly beyond the territorial limits, and we have no real authority in regard to that. No licenses are issued for halibut fishing, and as the law stands to-day we have no authority to say who is and who is not entitled to engage in halibut fishing in that district.

WEST INDIES TRADE AGREEMENT

ORGANIZATION OF COMPANY TO PROVIDE STEAMSHIP SERVICE

The House resumed from March 17, consideration in committee of Bill No. 142, respecting the Canadian National steamships, and to provide for the establishment of West Indies service.—Mr. Johnston in the chair.

Mr. DUNNING: Mr. Chairman, this bill was practically completed in committee, and progress was reported in order that the government might give consideration to the inclusion of an amendment of a similar character to that which has been incorporated in the branch line bills. This amendment will result in adding a new section, No. 9. It reads as follows:

The company shall adopt the principle of competitive bids or tenders in respect of

(a) the construction, reconstruction or alteration of the said boats or any of them in so far as the company decides not to perform such work or any part thereof with its own forces;

(b) the sale or other disposition of the securities, but the company shall not, subject to the provisions of section 4 (d) of this act, be bound to accept either the highest or the lowest or any bid or tender made or obtained, nor be precluded from negotiating for better prices or terms.

Members of the railway committee will recall that with the exception that it applies to boats instead of lines of railway this is in the same form as the section adopted with respect to each of the branch line bills. The inclusion of this section will involve renumbering the other sections.

New section agreed to.

Bill reported, read the third time and passed.

CANADIAN NATIONAL RAILWAYS

BILLS TO AUTHORIZE THE CONSTRUCTION OF BRANCH LINES

ST. FELICIEN-MISTASSINI RIVER AND HERBERTVILLE-SAVANNE FALLS

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 124, respecting the construction of Canadian National railway lines between St. Felicien and Mistassini river and between Herbertville and Savanne Falls, both in the province of Quebec.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Sections 1 to 6 inclusive agreed to.

The CHAIRMAN: The following has been substituted as new section 7:

The company shall adopt the principle of competitive bids or tenders in respect of—

(a) The construction of the said line of railway in so far as the company decides not to perform such work or any part thereof with its own forces;

(b) The sale or other disposition of the securities, but the company shall not, subject to the provisions of section 6 (d) of this act, be bound to accept either the highest or the lowest or any bid or tender made or obtained, nor be precluded from negotiating for better prices or terms.

New section agreed to.

The CHAIRMAN: Old clause 7 becomes clause 8.

Section 8 agreed to.

Section 9 agreed to.

Schedule agreed to.

Bill reported, read the third time and passed.

GRAND'MERE AND EAST BURRILLS

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 125 respecting the construction of a Canadian National railway line between Grand'Mere and East Burrills in the province of Quebec.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. DUNNING: Mr. Chairman, I think it would facilitate your work on this and the other branch line bills if you would call sections 1, 2, 3, 4, 5 and so on of each bill, which are identical. Then we could discuss the schedule, if anyone desires to do so, which of course is different in each bill.

Sections 1 to 6 inclusive agreed to.

The CHAIRMAN: New clause 7 is the same as in the other branch line bill, No. 124.

New section agreed to.

Sections 8 and 9 agreed to.

On the schedule.

Mr. STEVENS: Mr. Chairman, in regard to the schedule, I pointed out before the railway committee that the cost of this piece of construction is exceedingly heavy. It will be noted that this branch line of 7.9 miles in length is to cost $1,683,000, or $213,038 per mile. I am advised that the nature of the country is not such as to warrant this heavy expenditure. However, it was pointed out in the railway committee that this exceedingly high cost was largely due to certain very heavy fills and cuts. The objection I took there was that the improvement is of the nature of a final or permanent improvement to a railway which might be considered as of finished character and in first-class financial condition, and is not warranted in connection with a railway that essentially should be built as economically as possible. Therefore

my position before the railway committee was that this expenditure is unjustifiable at this time, that the company might well expend the $1,600,000 on much more needed work elsewhere, and that this particular type of ultimate improvement could wait until the railway is in better financial condition. Furthermore, I would point out that if a three-mile section of the Canadian Pacific is used the balance of this branch line, namely, 4.8 miles, will cost $1,327,000 or about $270,000 per mile. Some of us who have followed railway construction bills through parliament for many years believe this to be the highest cost per mile proposed in any charter that has gone through this House. Personally I consider it an exorbitant charge and one which is unjustifiable under present conditions.

Mr. DUNNING: My hon. friend expresses now the same views he gave in the committee. I can only put forward in answer to him the statement of the responsible officers of the road as to the immediate advantage to be gained by making this improvement, which will bring its own immediate justification. The hon. member takes the view that such an improvement as this cut-off would be justified only in connection with a road which is complete and in excellent financial condition. The officials of the railway, on the other hand, demonstrate that they can by means of this expenditure double their trainload behind the engine and thereby substantially reduce operating costs. They are satisfied, and they have demonstrated to my satisfaction, that this expenditure will immediately return more than 12 per cent upon the outlay in the way of reduced operating costs, and will increase the volume of business over the territory affected. That is my only justification for the proposed expenditure and my only answer to the criticism of the hon. gentleman. We regard this as an improvement of the kind that should constantly be made on the Canadian National lines—that is, an improvement in connection with which it can be demonstrated that the returns in reduced cost of operation will more than pay interest on the money spent.

Mr. GUTHRIE: A good many members are not on the committee and would like some information as to why the cost of constructing this seven miles is so enormous. It has been stated that this projected work will cost more than any other seven miles of railway in Canada.

Mr. DUNNING: I do not know that that is true.

[Mr. Stevens.]

Mr. GUTHRIE: It has been so stated. I should like the minister to gratify my curiosity by giving me some information explaining why the road should cost between two hundred and three hundred thousand dollars a mile to construct. The country is not difficult. The Canadian Pacific Railway has constructed a line through practically the same country and the cost of operation in this case is not anything like the amount proposed in this bill; it would not be more than a quarter of it. Again I would ask for an explanation of the expenditure of this enormous sum of money on so short a line of road.

Mr. DUNNING: I cannot check the accuracy of my hon. friend's statement regarding the cost of the Canadian Pacific Railway line in the territory. I trust he will supply me with precise information in that regard, if he has it, because it will be of assistance to me in judging whether or not the permanent officials of the Canadian National are correct in their presentation to me. With regard to the general question, the present grade on the main line is 1.5 per cent, and this work will reduce it to six-tenths of one per cent. The road was built in its present location because, as is often the case, it would have cost too much money at the time of its construction to produce a six-tenth grade. The hill, therefore, was climbed. The chief engineer of the Canadian National Railways informed the committee the other day that the cost of the work was almost altogether due to heavy cut and fill, with banks in the neighbourhood of fifty feet high on a portion of the construction. If my hon. friend's statement is correct, that the Canadian Pacific Railway have built through similar territory or through territory adjacent thereto at a quarter of the cost, I should certainly like to have the particulars and also the year in which construction took place.

Mr. GUTHRIE: The minister could get it if he applied to the Canadian Pacific Railway. They have given the information to others and would not hesitate to give it to the government.

Mr. DUNNING: My hon. friend has it.

Mr. GUTHRIE: I do not know that I should be at liberty to disclose the letter. I do not think they would object to giving the information.

Mr. BROWN: Is it not true that an explanation of the seemingly high cost per mile was the fact, as pointed out, that $185,000 was used in the raising of a bridge at the end of

the line? This would reduce the seemingly high cost of $213,000 per mile to about $175,000.

Mr. GUTHRIE: There may be an explanation but I should like to know what it is.

Mr. KAISER: Has the minister taken steps to see whether running rights can be obtained over the Canadian Pacific line? The Canadian Pacific railway runs from Shawinigan Falls to Grand'Mere, and if running rights were secured over that line it would leave less than two miles of railway construction for the Canadian National. The duplicating of railway lines in this country is a matter of serious consequence to the people, particularly in Ontario. We realize there that the solution of our railway problem lies, not in the duplication of lines, but in coöperation between the existing railways.

Mr. DUNNING: Approaches have been made by the Canadian National to the Canadian Pacific for running rights over three miles of the Canadian Pacific Railway line adjacent to this branch.

Section agreed to.

Bill reported, read the third time and passed.

PILKINGTON—NIAGARA JUNCTION

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 126, respecting the construction of a Canadian National railway line between Pilkington and Niagara Junction in the province of Ontario.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

WEYBURN—RADVILLE

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 127, respecting the construction of a Canadian National railway line between Weyburn and Radville, in the province of Saskatchewan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

WILLOW BROOK NORTHWESTERLY

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 128, respecting the construction of a Canadian National railway line between Willow Brook and township 27, range 9, in the province of Saskatchewan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported read the third time and passed.

STURGIS—PEESANE

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 129, respecting the construction of a Canadian National railway line between Sturgis and Crooked River and Mistatim in the province of Saskatchewan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported read the third time and passed.

CROOKED RIVER—MISTATIM—TOWNSHIP 48

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 130, respecting the construction of a Canadian National railway line between Crooked River and Mistatim and township 48 in the province of Saskatchewan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported read the third time and passed.

SHELL BROOK—KILWINNING

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 131 respecting the construction of a Canadian National railway line between Shell Brook and Kilwinning and township 50 in the province of Saskatchewan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

TURTLEFORD—HAFFORD—RICHARD

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 132, respecting the construction of a Canadian National railway line between Turtleford and Hafford and Richard in the province of Saskatchewan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

KINDERSLEY—GLIDDEN

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 133, respecting the construction of a Canadian National railway line between Kindersley and Glidden in the province of Saskatchewan.

Motion agreed to and the House went into committtee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

SPRUCE LAKE WESTERLY

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 134, respecting the construction of a Canadian National railway line between Spruce Lake and township 53 in the province of Saskatchewan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

HUDSON BAY JUNCTION

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 135, respecting the construction of a Canadian National railway line between Hudson Bay Junction and townships 39 or 40 in the province of Saskatchewan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

ELK POINT EASTERLY

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 136, respecting the construction of a Canadian National railway line between Elk Point and township 55 in the province of Alberta.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

ASHMONT-BONNYVILLE

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 137, respecting the construction of a Canadian National railway line between Ashmont and Bonnyville in the province of Alberta.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

BRETONA-CLOVER BAR

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 138, respecting the construction of a Canadian National railway line between Bretona and Clover Bar in the province of Alberta.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Bill reported, read the third time and passed.

INDIAN ACT AMENDMENT

CONCURRENCE IN SENATE AMENDMENT

Hon. LUCIEN CANNON (Solicitor General) moved the second reading of and concurrence in an amendment made by the Senate to Bill No. 56, to amend the Indian Act.

Some hon. MEMBERS: Explain.

Mr. CANNON: The amendment introduced by the Senate is that the words "prima facie" shall be added before the word evidence in the third line of a clause. As the clause read, it might be interpreted as meaning that the evidence would be conclusive. With the words "prima facie" added, it means that the evidence may be rebutted.

Motion agreed to, amendments read the second time and concurred in.

CANADA EVIDENCE ACT AMENDMENT

Hon. LUCIEN CANNON (Solicitor General) moved the second reading of Bill No. 152, to amend the Canada Evidence Act as respects bank books and records.

Mr. SPENCER: May we have an explanation of this?

Mr. CANNON: This bill was before the House last year, and if I am not mistaken, it was adopted by the House. It had been previously passed by the Senate. It is based on the English law dealing with similar matters. Its object is to allow banks to produce in court certified copies of their books instead of having to produce the originals, as they do now. This is simply in

order to facilitate the production of evidence. If the original has to be produced for some special reason, the bill provides that the judge may then give an order to that effect and the original will have to be produced. The only difference between the English law and this law as proposed is that our law applies only to criminal proceedings, because there only does our jurisdiction lie, while in England the same act covers both criminal and civil cases.

Mr. GARDINER: Have these copies to be certified?

Mr. CANNON: Yes.

Motion agreed to, bill read the second time, considered in committee, reported, read the third time and passed.

VANCOUVER HARBOUR COMMISSION

LOAN OF $4,000,000 FOR TERMINAL FACILITIES

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to authorize a loan to the Vancouver Harbour Commissioners in an amount not exceeding $4,000,000 to carry on the construction of terminal facilities, upon the approval by the governor in council of detailed plans, specifications and estimates for such works and the deposit of debentures of the corporation to cover said loan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: Will the minister give us a general statement with regard to this loan of $4,000,000?

Mr. CARDIN: The details are as follows:

Addition to No. 3 elevator including acquiring additional property necessary in order to complete new lease with United Grain Growers	$ 850,000 00	
Water front development at D.L. 274 North Vancouver	500,000 00	
Extension of Terminal railway right of way through the Burrard Dry Dock Company's plant on the north shore	200,000 00	
Extension conveyor's system Ballantyne pier, sacking plant and marine leg	200,000 00	
Construction work on South Shore terminal right of way, including purchase price of Clam Shell's scow	100,000 00	
Development at Hastings mill site including construction of coast-wise pier warehouse and quay wall	385,000 00	
Contingencies	355,047 51	
		$2,590,047 51
Ballantyne pier office building	12,916 36	
Fish oil storage	24,973 20	
Grain loading equipment No. 1 jetty	25,000 00	
Settlement British Oriental Company lease case	112,000 00	
To amount for construction and completion North Shore Terminal railway expended or to be expended	1,308,370 54	
Purchase price and remodeling tug St. Catherines	75,000 00	
		$1,558,260 10
To retire debentures with Imperial Bank of Canada and secured by debentures on No. 3 elevator	650,000 00	
Unapproved over-expenditure No. 3 elevator	343,784 82	
Amount required to transfer interest paid on construction from revenue account to capital account	414,300 45	
Construction of Terminal railway from Ballantyne pier to Lapointe pier and authorized only to be paid for out of revenue	102,858 69	
Land purchased for right of way for Terminal railway and charged to revenue account	20,355 48	
Improvements made to No. 1 elevator at time of taking over elevator and property chargeable to capital account	56,724 35	
Signal station prospect point properly chargeable to capital account.	9,191 85	
Amount required to take care of over-expenditures of approved estimates to November 30, 1926	139,887 70	
		$1,737,103 34
Total		$5,883,410 95
Less amount provided for by loan and for which the approval of appropriations has not been given		1,883,410 95
Loan required to balance all accounts as above		4,000,000 00
		$5,883,410 95

Mr. GUTHRIE: I am not taking any objection to the loan, but I should like to find out how the account stands at present as between the commission and the government. Are the interest payments kept up, and is the sinking fund maintained?

Mr. CARDIN: Oh yes. The harbour commission was very successful in its operations last year. The revenue for 1926 was $2,193,670.12, and the expenditure $1,193,007.77, leaving a balance of revenue over expenditure of $1,000,662.41. On account of bank interest there was paid $26,903.40 and for sinking fund $200,000.

There remains a balance in favour of the commission after all payments have been met of over $92,000; so that the year has been very successful and very profitable. To meet their obligations they have provided a sinking fund of a little over $800,000.

Mr. GUTHRIE: Do you know the total obligation?

Mr. CARDIN: The total is $15,000,000.

Mr. GUTHRIE: No arrears?

Mr. CARDIN: No arrears.

Mr. KELLNER: Is part of this money to be expended to satisfy the legal claim of the Oriental Grain Company?

Mr. CARDIN: Yes, the amount of $112,000. This claim has been submitted to the counsel of the harbour commission in Vancouver, and we have been advised by the Justice department that the commission should make a settlement of that claim.

Mr. KELLNER: The case has not actually been in court. Has it been settled out of court?

Mr. CARDIN: Not yet.

Mr. KELLNER: Do you intend to settle it out of court?

Mr. CARDIN: Yes, we have been advised by the Justice department to do so.

Mr. KELLNER: I desire to make a remark with reference to that. In the first place the harbour commission purchased the old Woodward elevator for what is known as the Oriental Grain Company, and hon. members from Alberta will know who they are. We have the member for East Edmonton (Mr. Blatchford), president, and we have Frank Walker associated with him, Mr. Tobin who represented Wetaskiwin last year, and two or three others. They got a lease of that elevator, and, according to the information we have, proceeded to operate, but after a short time they accused the government or the harbour commission of violating the law and brought this action for $250,000. I do not know who is responsible for the mix-up, but certainly it was a very questionable business for the harbour commissioners to purchase the elevator in the first place, and then to lease it on an understanding that turned out as this has done. I question very seriously if this money is going to be used as suggested.

Mr. BENNETT: If the minister will read the report of the Royal Grain Commission he will find some pertinent observations with reference to this enterprise. It never was legally and properly organized. This property was turned over to a few political favourites —that is the honest fact in regard to it—of the harbour commission, and it is operated in such a way as to enable the alleged owners of it to assert the claim against the commission for interfering with them in the management of the enterprise. This was one of the worst jobs ever perpetrated on a free people. I have not the details before me, but I will obtain them. I will produce the report of the grain commission and show the circumstances in connection with it. I suggest that the minister make no settlement with these people under the present conditions without a thorough public inquiry with relation to the matter from its inception till to-day. It will not bear the light of day. Everybody in western Canada who is familiar with the facts knows that. When the bill is under consideration I will bring the matter to the minister's attention. I am speaking solely about the Woodward elevator matter and the Oriental Grain Company.

Mr. GARDINER: Will my hon. friend tell me whether this company was ever organized?

Mr. BENNETT: My recollection is that the charter was secured from the Secretary of State's department, but the observations in the Royal Grain Commissioner's report will indicate what was thought about it by the grain commissioner; considering the amount of capital that was paid in, in compliance with the terms of the act, his view was that the company was not legally or properly constituted.

Mr. GARDINER: What has the minister to say to a charge of that description?

Mr. CARDIN: I am not in a position to argue that matter. There may be something in what the hon. member has said; I am not in a position to contradict him at present. This was done by the harbour commission,

dealing with the affairs of the company at that time. To-day we ask to have placed at our disposal $112,000 to meet the requirements but that does not mean that we will spend that amount. Before any money can be paid out the approval of the Department of Marine and Fisheries must be obtained; we are only taking authority to pay it if we find we have to. But we rely upon the advice of the counsel of the harbour commission and one independent counsel.

Mr. BENNETT: Will you give the names of the counsel?

Mr. CARDIN: Farris, Farris, Stultz & Sloan, and the other counsel is Mr. E. P. Davis.

Mr. BENNETT: He is one of the ablest lawyers in Canada, if not the ablest.

Mr. CARDIN: And outside of that we have the opinion of the Department of Justice that, in view of the circumstances we ought to try and make a settlement of that case. That is the advice we are getting from the Department of Justice. Before giving their opinion the Department of Justice must have considered the point raised by my hon. friend from West Calgary (Mr. Bennett).

Mr. BENNETT: I do not think they ever heard of it.

Mr. CARDIN: We are simply taking authority to make a settlement, but are not committed to make that settlement if we are not satisfied that we are justified in doing so.

Mr. GARDINER: I would suggest that before the second reading of the bill the minister should look into the question of the organization and registration of the company.

Mr. CARDIN: I will.

Mr. GARDINER: Also ascertain the actual amount of capital in the company which has been paid up.

Mr. CARDIN: Yes.

Mr. GARDINER: When, in 1924, the last bill was before parliament granting a sum of money to the harbour commissioners, a discussion took place upon this very pertinent question and it is probable that the cancellation of the agreement came about as a result of that discussion in the House. Therefore I think the minister would be well advised, before the second reading of the bill, to have all the particulars, so that we may be able to expedite the legislation.

Mr. CARDIN: I will.

Mr. GARDINER: But without those particulars I can assure my hon. friend that we do not propose to let it go through.

With regard to the condition of No. 3 elevator, what extra storage is contemplated, what rent is now being paid, and what is the rent contemplated to be paid if the addition is made?

Mr. CARDIN: I am afraid I am not in a position at the present time to give all the details my hon. friend is asking for. If he will permit the resolution to go through, I will bring in the information that he and others are asking for.

Mr. GARDINER: What is the situation with regard to the harbour commission elevators at the present time? Are any of those elevators under the control of the commission; that is, utilized by the commission itself?

Mr. CARDIN: There are negotiations at the present time to lease No. 1, No. 2 and No. 3 to private companies, but I have no knowledge that an understanding has been reached as yet. I know that the commissioners are dealing with the representatives of these firms, or companies, or associations, with a view of leasing the elevators. From the information that has come to me I am inclined to think that these leases will be granted according to the requests made.

Mr. GARDINER: I understand that before No. 2 can be leased it is necessary to construct a pier or jetty. Is anything included for such construction?

Mr. CARDIN: Yes, it is provided for.

Mr. BENNETT: The pool get No. 2, I think?

Mr. CARDIN: Yes.

Mr. BENNETT: Originally they were promised No. 1?

Mr. CARDIN: Yes.

Mr. BENNETT: Why did the government change its mind and give the pool No. 2 when they still wanted No. 1?

Mr. CARDIN: If my memory is correct, another firm was already interested in No. 1, and we thought it advisable not to place the elevator in the hands of two organizations. This was explained to the representatives of the pool, and I am informed that when they left Ottawa they seemed to be quite agreeable to the proposal of the new commission.

Mr. GARDINER: Is this where a private company loads through No. 1?

Mr. CARDIN: Yes.

Mr. BENNETT: Between now and the second reading of the bill, the minister might well consider the advisability of dropping the $112,000 out of this year's estimates, because the item will provoke a good deal of discussion, and I am satisfied that to get to the bottom of all the facts in connection with the claim of the Oriental Grain Company it should be sent to a special committee for consideration. I know the minister will agree with me, and the Solicitor General will advise him, that once you put in the estimates a vote to meet a prospective claim, the claimants will become so insistent in their pressure that they will get the money; whereas if provision for the claim is not made, you may be able to get it put on some basis that more nearly represents what, if anything, should be paid.

Mr. COOTE: Have the harbour commissioners power to lease elevators without the consent of the government?

Mr. CARDIN: No, they have to get the approval of the Department of Marine and Fisheries and the governor in council.

Mr. COOTE: Did they have the approval of the department and the government when they leased this elevator to the Oriental Grain Company?

Mr. CARDIN: I could not say at present.

Mr. STEVENS: They did.

Mr. COOTE: I trust the minister will get that information, and also as to whether they had the approval of the department and the governor in council to cancel the lease. It is the cancellation that has given rise to this claim of $112,000 by a company with a paid up capital of only $25,000. I believe the company was not prepared to go on with the lease. I certainly think it is a great mistake to include this claim in the money required under the bill. And why should the amount be included in capital account? If it is to be paid at all it should be paid by the Vancouver harbour commissioners out of revenue.

Mr. CARDIN: I think my hon. friend should not complain. By placing the amount in capital account he will have an opportunity of discussing it.

Mr. COOTE: That may be, but is it not a poor system of bookkeeping to put such expenditure into capital account?

Mr. BENNETT: I think the minister will agree that, in the ordinary course of business, if judgment is given against a company for

[Mr, Gardiner.]

damages the money is not charged against capital but against operating revenue. Clearly the hon. member for Macleod is quite right in his statement that if this is a valid claim it should not be capitalized and so increase the tolls levied on the farmers of Alberta, because practically they are the only ones served by this elevator. Of the forty or fifty million bushels of grain shipped through Vancouver, 95 per cent comes from Alberta, the balance from northern and southern Saskatchewan points near the Alberta boundary. I think that is not too strong a statement to make. I submit that when you desire to capitalize what in effect would be the payment of damages arising out of operation, that payment should be charged against operating revenue, not against capital.

Mr. CARDIN: There may be a difference of opinion, but I think in the end the result would be the same.

Mr. BENNETT: No.

Mr. CARDIN: Tolls are collected in order to meet all the obligations of the harbour commission, and if this sum were placed in revenue account the result would be the same—the harbour commission would have to earn interest on it. The claim has been dealt with in this way in order that it may be brought before parliament with a view to getting approval before payment is made.

Mr. BENNETT: I can see what was in the mind of the minister. I understand that at one time the harbour commission was going to pay the claim out of revenue, but the minister's department very properly intervened, not because they did not believe it would be a proper charge against operation, but because the claim itself was of such a character that no well-conducted business would dare charge it up against operating revenue. However, it would be easy once it was put through parliament to make it a capital charge, and that would be the end of it. That is the real truth of the matter. I think the minister can give us some information in regard to it if he so desires.

Mr. KELLNER: What is the date of the opinion of the Justice department advising a settlement of the claim?

Mr. CARDIN: January 7, 1927.

Mr. COOTE: The list of expenditures read by the minister totalled about $5,883,000. The bill authorizes an expenditure of $4.000,000. Will he be good enough to explain how the balance is provided for?

Mr. CARDIN: We have to made a deduction of $1,883,410, the amount provided for by

loan and for which approval had not been given. These expenditures were made, I understand, out of the revenue of the harbour commission.

Mr. STEVENS: And advances from the bank.

Mr .CARDIN: Advances had been made, but no approval had been given by the Department of Marine and Fisheries for the expenditure. It is proposed to place these amounts back into capital account.

Mr. COOTE: The amount was taken but it had not been authorized.

Mr. CARDIN: It was authorized by parliament but the expenditure was made by the harbour commission themselves out of their revenue.

Mr. BENNETT: Which raises a very important question.

Mr. CARDIN: Yes, I see that.

Mr. BENNETT: The minister, I know, is aware of it from the way he spoke. If a large surplus has been accumulated by the operation of such a facility, which enables it without incurring debts to meet the obligations of new construction, I think it would be highly desirable, in order to maintain low tolls, not to allow the commission to reborrow money to make up that expenditure. The minister has had the matter under consideration on more than one occasion, but apparently he has yielded to pressure from those whom my hon. friend would describe as capitalists, and now proposes to capitalize this amount instead of allowing it to be charged against operating revenues. A very important principle is involved in that connection. If you have a surplus of a million and can carry out needed improvements to the extent of $800,000 without borrowing money, and have something left over, I do not think it is proper that you should come to parliament and get authority to borrow money as capital to replace that $800,000. That is not the way business is done, and the harbour commission should not conduct its affairs on that principle if the object is to maintain low tolls. I am sure the minister desires to do everything possible to improve transportation facilities at Vancouver and I know he realizes the importance of the tolls question to the farmers of Alberta. Alberta is seriously affected in this matter and it is of the utmost consequence that, wherever possible, improvements should be effected out of surplus revenues. Surplus revenues mean that, as a result of larger business, more tolls have been charged than otherwise would be the case. The tolls are fixed on the basis of a smaller volume of business, and as the volume increases the tolls bring in a correspondingly larger revenue. When this revenue surplus accumulates—and my submission is that is was not contemplated that there should be this larger revenue by reason of an increased volume of business—the surplus might properly be made available for needed capital expenditures so as to prevent the possibility of borrowings, which of course involve interest charges which must be made up by an increase in tolls. I can see that the minister has given the matter his consideration. It is a question which is not wholly free from, shall I say, grave results to those who supply the commodities which pay the tolls whereby the interest obligations of the commission are discharged.

Mr. COOTE: The people of Alberta are very much interested in the harbour of Vancouver. This year the Vancouver harbour commissioners appealed to the Board of Grain Commissioners to increase the tariff charges for handling grain through the elevator, and although the Alberta government protested, these increased charges, I believe, are now in effect. It is rather strange that the government has allowed the increase in these charges if it is true that the board have been able to make, out of their revenue, capital expenditures of $1,883,000. I do not know whether I understood the minister correctly, but that is what I thought he said. This state of affairs, I think, justifies the attitude of the people of Alberta and the action of the Alberta members during the past year in endeavouring to secure a representative of the grain producers from that province on the harbour board. I think we are supplying the tonnage which provides half the revenues of the port of Vancouver, and it does seem to me that the government might very well have given to the wheat producers of Alberta representation on the board. It is well known that there is a good deal of dissatisfaction in Alberta over the make-up of the Vancouver harbour board, and it is to be regretted that the government did not give some consideration to the claim of Alberta to have a representative of their own on the board. I hope that the minister, when he introduces the bill, will be able to give complete information regarding not only the matters which have been referred to to-day, but also in relation to the purchase of the Hastings mill site and the development which the harbour commissioners contemplate at that point. I should like him to give information also regarding the cost of construction of No. 2 elevator. It is important for us to know whether the parties who are

negotiating for the lease of elevator No. 1 are to be charged a rental based on the cost of construction of this elevator. There is no comparison in the cost of elevator No. 1 and the cost of elevator No. 2. No. 1 was constructed by the government, under whose ownership it was operated, and it was later turned over to the Vancouver harbour commission at a cost of $550,000, which was only a little over 50 per cent of what the elevator was worth. I trust that the lease which is being negotiated with these parties will not necessarily be based on the cost of the elevators to the commission.

Mr. STEVENS: I desire to make a few observations regarding this rather important matter. In the first place, I support what my hon. friend (Mr. Coote) has just said in reference to fees. When the elevator fees in connection with the Vancouver harbour were increased I publicly opposed it and I urged the commissioners not to apply for the advance. I felt that the fees at that time were sufficient to pay for the cost of administration and operation, and I have no hesitation now in supporting my hon. friend's view in that respect. Furthermore, when the tonnage fee was increased from one cent to six cents per ton I considered that also too large an increase.

As regards the proposal for a representative on the Vancouver harbour commission from the province of Alberta, I would suggest to the government the advisability of enlarging the commission by increasing its membership to five and slightly changing its constitution. At present there are three commissioners, the chairman receiving a salary of $6,000 and the other two commissioners $4,000 each. The minister will correct me if I am wrong. After a long experience covering a number of years in connection with the operation of the commission, I have come to the conclusion that it would be better to have a chairman paid a salary of six or eight thousand dollars, and four commissioners who should receive an honorarium of about $2,000. These figures are of course arbitrary: they are not at all definite, being only a suggestion. These junior commissioners, if I may so describe them, need not necessarily be expected to give all their time to the commission; that is to say, it should not be a job for them. Rather they could sit as directors, meeting once or twice a month and dealing with matters of general policy of the board. In that way you could secure the services of some very eminent authorities on the classes of business transacted, such as a prominent shipping man, a grain man thoroughly familiar with the internal handling of grain as well as the shipping of it, and a prominent businessman who would be willing to give his time in part to the study of harbour matters, advising and coöperating with the board on all questions of policy, without necessarily devoting himself to administration. At the present time—I speak from memory—the board has a general superintendent who receives about $8,000 a year. They have a superintendent of elevators, an assistant superintendent of elevators and a foreman of elevators, and I contend that these positions are in excess of their needs. It seems to me that one superintendent of elevators would be enough, and I doubt if either the assistant superintendent or the foreman is needed at all. The general superintendent of the whole harbour, with a foreman at each elevator, should be able properly to safeguard the interest of the commission, and in that way a considerable saving could be made.

With regard to the $1,500,000 mentioned by the minister, I think the correct explanation is that out of previous appropriations made by parliament there still remains about that sum. The commissioners have been carrying on very extensive works and have exceeded the authorized payment by this government; that is, the payments they make must be authorized by the government, and while they have exceeded those payments by a considerable sum they have still kept within the general appropriation made by parliament. These extra moneys were paid, I understand, not all out of revenue, but partly in that way with the balance secured by an overdraft at the bank. If I recall correctly statements I have seen, that overdraft amounted to about $600,000 and this is a matter for which the commission might be criticized. I am not offering these remarks to the minister in a critical spirit at all, but rather that his hands may be strengthened in keeping proper control over this board as well as others. That overdraft of $600,000 was secured by the hypothecation of the securities represented by the sinking fund, which was an entirely wrong action on the part of the board. I think we must give the minister credit for having condemned this practice and for having corrected it, and I hope he will join with us in saying that it will not occur again.

Mr. CARDIN: It will not.

Mr. STEVENS: I think it is necessary for the minister now to approve—and in the reorganization of the board I assume that he has considered and has approved of this over-

draft—expenditures which are covered by previous appropriations by parliament to the extent of approximately $1,500,000.

Mr. COOTE: Might I ask a question, just for information? Would it be necessary for the minister to bring this matter of $1,500,000 before parliament? Would it not be only necessary for him to give his approval to it?

Mr. STEVENS: I commend the minister for having done so; he need not have brought it before parliament, and I think he deserves great credit for having been frank with us. He has made a complete statement, and I may say frankly that all he needed to do was to ask for a certain sum, namely $4,000,000, to be used for future purposes, and to show how it was to be expended. But there was this unexplained and unaccounted-for difference for which the harbour board should have been criticized; I have not the slightest doubt that the minister and the deputy minister have criticized them strongly and bitterly for it, but it is as well to discipline these boards occasionally to keep them within bounds.

Before I pass on I would like to refer to the Woodward elevator, which was the reason for this lease of the Oriental Grain Company. That property should never have been purchased from Woodward originally; I wrote a letter to the commissioners in the autumn of 1922 or 1923, before they asked the approval of the government at all, and warned them that it was an improvident action, that they would have nothing but trouble if they purchased it, and that so far as I was concerned I would keep my skirts clear of it. They went on with the negotiations, and came to Ottawa where they finally secured the approval of the government to the taking over of the Woodward elevator. This project was originally entered into by a gentleman named Woodward, a grain man from Winnipeg, in which business he was a failure; he got into trouble and obligated himself to buy a large piece of waterfront on which he built a cheap structure, after which he went into a condition of bankruptcy. The harbour commissioners took over his whole bag of tricks and troubles, which never should have been done; following that there was an expenditure of public money to put the elevator into proper shape, which work was estimated to cost $600,000, but really required $1,000,000. The elevator now is probably in good condition; I do not question that, but the whole trouble from start to finish, including that connected with this Oriental Grain Company, came in the train of this original action, and I know that the harbour commissioners and the government have spent a good many anxious days wondering just how to extricate themselves from the results of that improvident action. I am not going to say that the government should not make a settlement; that is something no one should declare without having very carefully examined all the papers, but I do say that in making a settlement the government should scrutinize with great care any claim based upon that original transaction.

I want to repeat that the harbour board of Vancouver should be directed very sternly to reduce expenditures to a minimum, and to reduce their staff to the lowest possible point commensurate with the needs of maintaining a sound service there. I have criticized the board somewhat severely for certain things in the past, and when the estimates are brought down I intend to suggest some very practical ways in which expenditure may be curtailed. I want to tell the minister now that so far as I am able I will coöperate with him in keeping this harbour board within reasonable bounds, and I might also say that if the minister and the government will consider the suggestion frequently made that some representative from Alberta should be on that board, I would certainly endorse that action. I would insist, however, that such a representative should be one who really represents the grain business in Alberta, and not some one for whom a position is created. He must be a person representing the grain interest of that province and well versed in the needs of the trade, because the handling of 50,000,000 or 100,000,000 bushels of grain is a huge undertaking, and the more knowledge and wisdom that can be brought to bear upon that work, the better for all concerned.

Mr. COOTE: I would ask the minister if, when this bill is before the House, he will give us the number of employees in each year since 1921, and the total wages paid, because I think it can be shown that in comparison with the business done the harbour board have loaded up their staff to the point where it is really absurd. As a last request, if this resolution goes through now, I would ask the minister to be good enough to bring the bill down in daylight hours, and so give us a chance to get the information we really desire. Sometimes these bills are brought in about eleven o'clock at night, when the House is too weary to try to secure the information which it really should have.

Mr. CARDIN: I have no objection at all to the request of my hon. friend.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon

moved for leave to introduce Bill No. 215, to provide for a loan to the Vancouver Harbour Commissioners.

Motion agreed to and bill read the first time.

FOOD AND DRUGS ACT, 1920, AMENDMENT

Hon. J. H. KING (Minister of Health) moved that the House go into committee on Bill No. 105, to amend the Food and Drugs Act, 1920.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

On section 2—Regulations.

Mr. KING (Kootenay): When the bill was in committee some days ago we passed the first clause and had a discussion on clause 2, when it was suggested that the bill, being somewhat of a technical nature, should be sent to a special committee in order that it might be considered in conference with officials of the department and others who might wish to be represented. That has been done and the committee have reported, suggesting some three or four amendments, a copy of which I am now sending over to you, Mr. Chairman. The first amendment is in regard to paragraph (b) of clause 2:

Defining official methods for biological testing.

I move to amend this clause by adding after the word "testing", the last word in the line, the words:

Which method shall permit manufacturers to have biological tests made in any laboratory.

This gives the manufacturer an opportunity of sending his product out to a laboratory without having to maintain one on his own premises.

Mr. McGIBBON: Will the minister explain what he hopes to gain by this?

Mr. KING (Kootenay): As was stated some days ago in committee, under the subsection that it is desired to add to section 4 of the act we are proposing to standardize certain drugs that are mentioned in schedule B. If my hon. friend will turn to the schedule he will find the nature of the drugs there suggested. This will give us further power for the standardization of these special drugs. The matter is one that meets with the approval of the medical profession, and particularly now that we have agreed to make the suggested amendment it is not objected to by the manufacturers.

[Mr. Cardin.]

Mr. McGIBBON: I do not think the minister caught the meaning of my question. I quite agree with him that it is desirable to have drugs like these standardized. What I had in view was this: what control will the department have over these laboratories so as to be sure that it will get a standardized product—because this means subletting, so to speak, the contract for standardizing?

Mr. KING (Kootenay): Our inspectors will secure samples. We will make our examination, and if the samples are not up to standard the manufacturers will be so informed.

Mr. McGIBBON: The samples will be rechecked at Ottawa?

Mr. KING (Kootenay): Yes. In regard to part IV of the schedule, the arsenical preparations, as my hon. friend understands, are very difficult to manufacture, and in order to be sure that they are up to standard we require a sample from each batch.

Mr. ANDERSON (Halton): How will this clause apply to drugs imported from foreign countries? Will the drugs be tested at Ottawa?

Mr. KING (Kootenay): Firms importing drugs from foreign countries will have to come up to our standard. That is being done in Great Britain to-day where they are standardizing these drugs. It is also being done in France, and in fact in many countries certain standards have been established. If they come up to our standards, we will accept their drugs. If we find it necessary to visit their factories, we will do so at their expense. That is being done by the United States authorities at the present time. European manufacturers who are importing drugs into the United States have to come up to their standard and they submit to their inspection.

Mr. ANDERSON (Halton): As regards these pharmaceutical preparations imported from foreign countries, particularly from the United States, will there be a laboratory at Ottawa prepared to test and standardize these articles properly?

Mr. KING (Kootenay): We shall have a laboratory at Ottawa to make tests.

Mr. ANDERSON (Halton): Is any preparation being made for having such a laboratory established at Ottawa?

Mr. KING (Kootenay): There is one.

Mr. ANDERSON (Halton): Is there one in existence now capable of doing this work?

Mr. KING (Kootenay): Some other technical officers may be required, but the laboratory is in existence and I think it is now capable of doing the work.

Mr. ANDERSON (Halton): Who is the officer in charge?

Mr. KING (Kootenay): I forget his name for the moment.

Mr. ANDERSON (Halton): I presume the laboratory will be under the Department of Health?

Mr. KING (Kootenay): Yes.

Mr. ROSS (Kingston): Where is this laboratory?

Mr. KING (Kootenay): There is in Ottawa a laboratory that will do this work. As my hon. friend knows, the department is situated in the Elgin building. There are also laboratories in Montreal, Halifax and Vancouver. I hardly think they will be equipped to do work of this character, but the Ottawa laboratory should be.

Mr. McGIBBON: I quite agree with the minister that it should be, but is it? I have grave doubts.

Mr. KING (Kootenay): Once we undertake this work it will be.

Mr. McGIBBON: And that means the creation of a staff, probably a new department?

Mr. KING (Kootenay): No.

Mr. McGIBBON: A new sub-department. I quite agree with the minister that this work should be done. While I may not be in order, I think the minister's whole department, not due of course to any fault of his, has fallen down lamentably in scientific research work. I took a great part in getting this act on the statute book, and it was distinctly understood at that time that we were to have a department of scientific research. That has not been carried out and I do not think we have a man capable of doing this work.

Mr. ANDERSON (Halton): The Department of Health was created for that very purpose, and so far as carrying out its main purpose is concerned, it has been a total failure. Has the minister formed any estimate of the cost of the establishment of a laboratory in order to make these standard tests?

Mr. KING (Kootenay): I do not think it is necessary to make any estimate. We are doing that kind of work to-day, and we have not had any complaints. It is true that the biological testing provided for under this section is outside the regular work we have been doing, but when this section becomes law, that will be provided for naturally; it is a matter of administration. So far as the testing of foods and drugs is concerned, that is being done to-day, and I have not heard much complaint; I have heard complaints from the people who got into trouble, but generally speaking the department's administration, I think, has been very good. I think that was demonstrated when the committee was discussing this bill the other day. The representatives of the manufacturers were present, and the general opinion was that the administration of the act had been good. These minor amendments will improve the act, more particularly in regard to drugs.

Amendment agreed to.

Section as amended agreed to.

Sections 3 and 4 agreed to.

On section 5—Seizure of suspected articles.

Mr. ANDERSON (Halton): What is the procedure in regard to these seizures? What is done with these articles?

Mr. KING (Kootenay): We are amending this section so that we can control the article beyond the period that is possible now under the act. Under the present law, after the article has been analysed we have no right to continue to hold it. This amendment gives us that right and brings the article under our control until proper disposal has been made of it.

Section agreed to.

On section 6—Seizure.

Mr. ROSS (Kingston): I think the minister knows—in fact, I have brought up several cases myself—that under this act his officials are interfering with the use of inert and harmless preservatives. Several of these articles mentioned in the act have been used by the manufacturers of certain articles of food for twenty-five or thirty years. Is the department still keeping up its interference with their use? I think the minister will remember that one of them is used in bologna sausages, which is a very cheap food. The preservative used by the manufacturer is an inert and harmless one, as the inspectors admit, yet they come around repeatedly and interfere. Could not the minister see that his officials give a more practical interpretation to the act so as to stop this interference?

Mr. KING (Kootenay): I think the administration by the officials has been reason-

able. The preservative mentioned by my hon. friend, while it is not altogether harmless, is deceptive. It gives the meat a colour which it otherwise would not have, and the person buying it is thereby deceived. That is the attitude of the department. I have had a number of cases before me recently. I know what my hon. friend is referring to, but there is an opinion in the minds of the officials that this substance should not be used because it is deceiving the buying public.

Mr. ROSS (Kingston): Not at all. The minister will agree that this article is sold because of its colour. If you changed the colour you would not sell the meat; that is the claim of the butchers. All the inspectors claim that it has no injurious effect whatever upon the meat, that the preservative is harmless and inert, but they interfere with its use just the same. That is the reason why I am so much opposed to giving these inspectors the powers they have, because they simply step in and interfere unnecessarily. When an inspector finds a condition of that kind, if he used the common sense that the minister suggests his officials use in the administration of the act, he would not interfere; but that does not happen. The men are brought up and fined. Not only that, but men are allowed to go around selling this article, and the butchers innocently buy it. Its colour is the means of selling it. It is a cheap food.

Mr. KING (Kootenay): I shall be glad to consider my hon. friend's suggestion, but it is not a new matter in the department.

Mr. ANDERSON (Halton): Will this clause empower the department to look after certain patented remedies that are on the market? There are many combinations of drugs on sale in our drug stores that are misbranded; they are labeled with names they do not deserve because of the drugs that are in them. I noticed one article in an Ottawa drug store called "double pepsin". There is no such thing as double pepsin, and I think the article in question has no pepsin whatever in it, but it is being sold in large quantities to the average consumer as a splendid remedy for indigestion. It may be a good remedy, but it is certainly not double pepsin, and people are buying it under a misconception. There are also many desiccated cereals, breakfast foods, that are supposed to be very nutritive which are not nutritive at all. Will the department undertake this amended act to investigate these articles and find out what is good and what is not, and have the ones that are no good taken off the market altogether?

[Mr. J. W. King.]

Mr. KING (Kootenay): The officials of the department are doing that work from day to day throughout the country. It is true that many of these articles should not be on the shelves and offered for sale. It is the work of the department to protect the public, and tests and examinations are continually being made to check these things up.

Mr. ANDERSON (Halton): Would it be necessary to add the words "or any combination of drugs"? Is that covered as the section stands?

Mr. KING (Kootenay): I do not think it would be necessary to add those words.

Mr. ANDERSON (Halton): I doubt if many combinations of drugs would come under this section.

Mr. KING (Kootenay): I think they would come within the definitions.

Mr. KAISER: The section says that whenever any article of food or any drug is reported as being adulterated or misbranded the inspector may seize and inspect the article. Does that refer to an inspector of the federal Health department, or to a municipal inspector appointed under the authority of the provincial board of health?

Mr. KING (Kootenay): We have inspectors throughout the various provinces who are going amongst the trade every day taking samples and having them sent in to the laboratory for examination. That work is being done by the officials of the Dominion Department of Health. If an officer of the provincial health department feels disposed to advise us in regard to a food or drug which he thinks is improper we shall be glad to have the information and make an investigation, but the work is done by Dominion officials.

Mr. McGIBBON: Has any individual the privilege of sending a sample to the department for analysis?

Mr. KING (Kootenay): Yes, I think it is quite proper. If they wish to send a sample, or to call attention to articles which are on the market and of which they are suspicious, we are glad to have the information.

Mr. ANDERSON: They examine the food?

Mr. KING (Kootenay): I am not so sure about that.

Mr. McGIBBON: If that were permitted, I think it would add to the usefulness of the department, because the inspectors of the department are more or less restricted.

Mr. ANDERSON (Halton): There are large quantities of what are termed non-intoxicating drinks on the market, such as orange crush and so on. I think the department is responsible for the fact that some of these contain a considerable amount of alcohol and are really more intoxicating than 4.4 beer. Does the department look into that matter and ascertain whether the aerated drinks contain no improper ingredients?

Mr. ADSHEAD: Do I understand the minister to say, with reference to food, that he objects to colouring being put in?

Mr. KING (Kootenay): No, that is not so. There are certain standard colours which can be used in the manufacture of confectionery, for instance. These are allowed by the department. But is it wise that some preparation should be used, for example, in the making of sausage, to change the colouring of the meat and thus deceive the purchaser? The opinion in the department is that it is not fair to the buying public. The people who are manufacturing sausage should put good meat into it.

Mr. ADSHEAD: That would not refer to butter.

Mr. KING (Kootenay): No.

Mr. ROSS (Kingston): The analyst of the department reports that this is harmless, and that the only effect of the drug is to give colouring in a percentage of it.

Mr. KING (Kootenay): I shall be glad to take it up further with the officials. They have been making seizures for some time.

Mr. KAISER: The question may be looked at from the commercial aspect: a food or drug may be adulterated and the adulteration may have the effect of increasing the commercial value. But another element which is of far more importance is the question of selling goods which may not only be adulterated or misbranded but which may contain germs of disease. Will the analyst of the department undertake to look into matters of that kind and see that the foods are free from disease?

Mr. KING (Kootenay): My hon. friend speaks of canned goods. That matter comes under another act.

Mr. McGIBBON: With regard to the seizure of goods, who is going to stand the loss?

Mr. KING (Kootenay): The person who has the product which is not up to standard.

Mr. McGIBBON: That might not be fair. A druggist might buy a quantity of goods in good faith, but they might contain some alcoholic extracts.

Mr. KING (Kootenay): In section 10 provision is made to bring in the third party, and that will meet the situation.

Mr. HEAPS: Is there anything in any of the acts to compel anyone who sells these foodstuffs to show by way of a label or card what has been used in their preparation?

Mr. KING (Kootenay): There is a system of labelling which describes weight and so on, but I am not sure that it is the practice to describe the colouring matter that is used. Certain standard colours are allowed to be used in foodstuffs. They are known to the manufacturers. They are used more particularly in confectionery.

Mr. HEAPS: A person who buys a certain article should know what is in it, and the only protection is that which is given by the authorities. I think it would be wise if some amendment were made compelling the person selling these goods in which colouring matter has been used to place a label on them showing what they contain.

Mr. KING (Kootenay): That would possibly be developed by the regulations that would be made under section 4.

Mr. HEAPS: Would the minister consider putting such regulations into effect?

Mr. KING (Kootenay): Yes, I should be glad to.

Mr. ANDERSON (Halton): Will the minister give me some information about section 6, which says:

> Whenever any article of food or any drug is reported by a dominion analyst as being adulterated or misbranded—

And so on. How wide is that clause? Does it take in goods in cold storage?

Mr. KING (Kootenay): The section is very definite. It reads:

> Whenever any article of food or any drug is reported by a dominion analyst as being adulterated or misbranded within the meaning of this act, the department may order such article, and all other articles of the same kind which were in the same place at the time the article analyzed was obtained, to be seized by an inspector and detained by him until an analysis of the sample of the whole is made, and thereafter until the inspector has given an order for its disposal.

Mr. ANDERSON (Halton): It is so wide that it includes all drugs and food.

Mr. KING (Kootenay): No, it is confined to the act itself.

Mr. STEVENS: That is, within the meaning of the whole act.

Mr. KING (Kootenay): The activities of the department are circumscribed by the act.

Mr. ESLING: Does the act provide for any analysis of beer? As the hon. minister is well aware, charges have been made on the floor of the legislature of British Columbia to the effect that beer is offered for sale in the province containing ether, resin and other chemicals. In fact it is frequently remarked that chemists rather than brewers are needed in the manufacture of this poisonous beer. Is it within the jurisdiction of the minister's department to take samples of beer for analysis?

Mr. KING (Kootenay): I have not had brought to my attention any seizures of beer by my department under this act. I will make inquiries and inform my hon. friend later whether beer would come within its scope.

Mr. ESLING: Does not the minister consider that beer should come within the jurisdiction of this department for the protection of the public? I think he should have jurisdiction in determining the quality of a beverage such as I have described just as another department has jurisdiction over weights and measures. Surely anybody who drinks beer at random will readily realize the great difference in quality between the products of various breweries. I think the act provides explicitly what ingredients shall be taken into a brewery.

Mr. KING (Kootenay): Beer is not classified as a food or drug under this act. Its manufacture is controlled under the Inland Revenue Act.

Mr. ESLING: But does not the minister think it would be a good thing to protect the public health by providing that beer be analyzed at the discretion of the department? Let his inspectors take samples here and there of this bottled poison and determine what should be done with it.

Section agreed to.

Section 7 agreed to.

On section 8—Analysts may be designated.

Mr. ROSS (Kingston): What will be the qualification for a Dominion analyst?

[Mr. R. K. Anderson.]

Mr. KING (Kootenay): We have in the service men who are classified as chemists. This section will afford us the opportunity of utilizing their services and classifying them as Dominion analysts.

Mr. McGIBBON: What is the basis of standardization of these drugs?

Mr. KING (Kootenay): They will be tested biologically.

Section agreed to.

Sections 9, 10 and 11 agreed to.

On section 12—Distribution of samples.

Mr. KING (Kootenay): This section has been amended.

The CHAIRMAN: All the words after the word, "drug", in the thirteenth line are stricken out and the following substituted:

Provided that this section shall not prevent manufacturers or wholesale dealers from distributing samples by mail or otherwise in compliance with individual requests for same, or from distributing samples to physicians, veterinary surgeons, dentists, registered nurses, hospitals, or to retail druggists for individual redistribution to adults only.

Amendment agreed to.

Section as amended agreed to.

Section 13 agreed to.

On section 14—Schedule amended.

The CHAIRMAN: Part IV of the schedule has been amended by striking out all the words after "and" in the first line. Part IV will then read:

Organic compounds of arsenic and analogous preparations prepared for parenteral medication.

Mr. KAISER: Preparations of arsenic are inorganic. The proper word is not used.

Mr. KING (Kootenay): This is the proper wording as I understand it. It was discussed in committee and the amendment proposed does limit arsenical preparations to the medical purposes intended.

Amendment agreed to.

Schedule as amended agreed to.

Bill reported.

Mr. SPEAKER: When shall said bill be read a third time?

Mr. ROSS (Kingston): Next sitting of the House.

Mr. SPEAKER: Next sitting of the House.

CUSTOMS ACT AMENDMENT

Hon. W. D. EULER (Minister of Customs and Excise) moved the second reading of Bill No. 172 to amend the Customs Act.

Motion agreed to, bill read the second time, and the House went into committee thereon Mr. Johnston in the chair.

Sections 1 and 2 agreed to.

On section 3—Contents of report.

Mr. MARCIL: I have received a number of letters inquiring whether the employees of the Income Tax branch will come under the Civil Service Commission as a result of this legislation.

Mr. EULER: This does not affect them in any way.

Mr. MARCIL: There is no change in the status of income tax employees?

Mr. EULER: Certainly not in this, and not in any legislation contemplated.

Mr. ANDERSON (Halton): What will be the duty of the Board of Customs which is to be appointed?

Mr. EULER: The Board of Customs is not a new creation. There has always been such a board consisting of certain officials of the department, together with the head of the Income Tax branch. This merely reconstitutes the board, which will consist of the Commissioner of Customs, the Commissioner of Excise, the Commissioner of Income Tax and the Assistant Commissioner of Customs. In addition, it was thought well to have some official of the Finance department connected with the Tariff branch thereof as a member of the board, because the relationship between the work of the Board of Customs and that of the Tariff branch of the Finance department is very close.

Mr. ANDERSON (Halton): Do I understand that the members of the board will compile certain regulations? What are their duties?

Mr. EULER: The Customs board is a body to whom certain matters are referred for interpretation. When difficulties are encountered in the interpretation of certain clauses in the act we refer them to the board.

Section agreed to.

Sections 4 to 7 inclusive agreed to.

On section 8—Board of Customs may declare rate of duty, or that goods are free.

Mr. ANDERSON (Halton): Does this matter come under the Board of Customs as one of regulation? If any article is in question, does this board decide whether or not it shall be subject to the provisions of the act?

Mr. EULER: The explanation given on the opposite page is, I think, quite clear. It merely provides a period within which appeal may be taken. Heretofore the matter was finally disposed of once the minister approved of the decision of the Board of Customs.

Section agreed to.

Sections 9 to 14 inclusive agreed to.

On section 15—Fine and imprisonment.

Mr. YOUNG (Weyburn): Subsection (b) of this section reads:

> If the value of the goods is two hundred dollars or over, be guilty of an indictable offence and liable on conviction to a fine of five hundred dollars, and to imprisonment for a term not exceeding seven years and not less than one year.

It seems to me that this section is altogether too drastic. The idea of putting a man in gaol for a period not less than a year and up to seven years for having smuggled goods in his possession is preposterous. It is going altogether too far. I know it was recommended last session but that was in a time of public excitement. It should be reconsidered.

Mr. EULER: I have no particular comment to make on the legislation passed in 1925 providing for punishment by imprisonment in the case of smuggling of goods valued at $200 or more. This provision, I think, has had a very good effect, judging by the reports received throughout the country. The very fact that such a penalty may be invoked serves as a deterrent to smugglers. This particular clause deals with an offence similar to that covered in the legislation of 1925. I may say that the court may impose either a fine or imprisonment, or both as it may see fit. If the court decides that imprisonment is too severe, it has the option to impose a fine.

Mr. YOUNG (Weyburn): Not under subsection (b).

Mr. EULER: I think that is the meaning of it. The law officer states that the court has the option of imposing either a fine or imprisonment or both, as it may see fit.

Mr. YOUNG (Weyburn): No. The act says, "and".

Mr. STEVENS: The real significance of that clause, as we found in our study of this interesting problem last year, is that you have to define commercial smuggling as distin-

guished from petty smuggling. It will be observed that the smuggling of goods less than $200 in value is treated more or less leniently; the class of smuggler for whom my hon. friend has some solicitude is not treated very harshly. The petty smuggler, does not bother with goods of any great value, he or she—and the she's are very prevalent in this class—do not smuggle anything except petty goods ranging in value from $3 or $4 to $10 or $20, but when it comes to commercial smuggling by organized gangs, the matter of a fine is nothing to them and that is what this country has been cursed with. The object of this recommendation last year was to give the department an effective weapon.

Mr. EULER: I must maintain the position I took before. I am not a lawyer or the son of a lawyer, and there are a great many legal gentlemen in the House who can interpret this section better than I can, but I am informed by the law officer of the department that while it states the person becomes liable to a fine and imprisonment, both are not made obligatory.

Mr. YOUNG (Weyburn): The hon. member for Vancouver Centre (Mr. Stevens) says that persons in possession of smuggled goods to a value of more than $200 are conducting commercialized smuggling, but he is mistaken. I can take him to dozens of farms in Saskatchewan where he would find horses in the possession of farmers who bought them from dealers without knowing that they had been smuggled. If these men were arrested for having smuggled horses in their possession they would have to go to gaol for seven years without the option of a fine.

Mr. EULER: They are liable to such a sentence, but the judge would have discretion to impose either a fine or imprisonment.

.At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

On section 15—Fine and imprisonment.

Mr. HEAPS: Is there in the present customs law any regulation which allows a person to bring into Canada free of duty, goods to any fixed amount, as is the case in the United States at present?

Mr. EULER: Nothing at all.

Mr. HEAPS: Would the minister take into consideration the enactment of some such law as would allow a person, if he is a bona fide traveller, to bring in free of duty goods to the value of say $50? Most people who travel abroad return with something, it may be a suit of clothes, a pair of boots, or a collar or a tie, and any person who comes in with such goods is or may be, without being aware of the fact, guilty of smuggling. If the law were so altered as to allow goods to the value of not more than $50 to be brought in free of duty, that would do away with a good deal of the smuggling which is done by persons who are travelling backwards and forwards between Canada and various other parts of the world, but which is not really done intentionally.

Mr. EULER: I have a good deal of sympathy with the thought expressed by the hon. member, but I think if that were done our merchants in Canada would rather object to it. I am not prepared to-night to father any such change. Before we rose at six o'clock there was some discussion as to the meaning of paragraph (b) of this clause. Some hon. members thought that the provision was too drastic. Paragraph (b) reads:

> If the value of the goods is $200 or over, be guilty of an indictable offence and liable on conviction to a fine of $500, and to imprisonment for a term not exceeding seven years and not less than one year.

I am given to understand there is some doubt as to the interpretation of that, whether the court could at its option impose the fine and, in addition, a term of imprisonment. I would suggest, in order to make the matter absolutely clear, that the second "and" might be changed to "or" and then at the end of the paragraph the words " or to both fine and imprisonment" might be added.

Mr. STEVENS: I want respectfully but very firmly to differ from the minister in regard to this change. I agree with his bill as he has it now. This is in accordance with the urgent request of the business men of Canada as represented before the committee last year, and it is in accordance with the recommendations of the committee. It is recognized as being absolutely necessary if we are to make these laws effective. Before the dinner recess the hon. member for Weyburn (Mr. Young) interpreted it as meaning that it would apply to some innocent farmer who happened to have a horse which might have been smuggled although he had no knowledge of the smuggling. It does not apply to any such case. Section 187 deals entirely with persons actually guilty of smuggling, guilty of the act, and not with persons being innocent in possession of smuggled goods. This particular clause has been requested and urged by those who have been suffering so severely from the competition

of an organized commercial smuggling gang. I know I am reflecting the views of those who have been suffering in this way when I say that if this clause is abandoned, they will feel that most of the other amendments will be of little effect. I urge the minister to leave the clause as it is and to afford an opportunity to view the effect of the legislation in actual practice.

Mr. YOUNG (Saskatoon): I have no good words to say for the smuggler, but we are now placing in the statute book a law which, in my humble judgment, seems very severe. I would like some day to join with the hon. member for Vancouver Centre in this chamber in removing that thing which makes smuggling profitable. That is one of the real difficulties. Under the present system there are infringements of the law, and it seems that if a man smuggles to the extent of $201, he is liable to a fine of $500 in addition to imprisonment for a period of from one to seven years. That is entirely too severe a penalty for the crime, and I should be glad if the minister could modify that so that we would not be guilty in this chamber of passing anything so drastic.

Mr. GUTHRIE: I hope the minister will not alter the clause as he has intimated he may by inserting the word "or" in place of the word "and". I agree with the hon. member for Vancouver Centre that the desire of the business community is to stop smuggling, and unless we make the penalty sufficiently severe, we shall not succeed in doing so. This is an amendment to section 187 which applies only to those who are actually concerned in smuggling. It specifically names those who are liable:

> And every person concerned in such unlawful importation or removal shall incur a penalty.

The person has to be concerned in the smuggling. A person who subsequently is found in possession of smuggled goods will, if innocent, not be liable to the provisions of this section.

Mr. McINTOSH: He will be concerned in the smuggling.

Mr. GUTHRIE: If he was he would be liable, and properly liable, because he would be a smuggler, but an innocent purchaser of these goods would in no way be brought under the operation of this section. My view is that you have to make these penalties pretty severe if you are going to stop this practice. The whole trouble that arose in the last few years was due first to the fact that our penalties were not severe enough, and secondly to the fact that even such penalties as we had were not enforced. I hope the minister will not change this section. In introducing this bill into the House he has put his reasons for the amendments on the blank pages accompanying the bill, and I notice that his proposal has been received with great approval by all parts of the country. It has been announced in large headlines in all the papers that both fine and imprisonment are to be imposed on the smuggler, and that proposal has been well received by the public. They want to stop this smuggling, and they feel the minister is going the right way about it.

Mr. EULER: I think my hon. friend will find that the provisions in the bill are pretty drastic in many respects, as will be ascertained as we proceed. I would also draw his attention to the fact that it is not proposed to give any discretionary power to the judge with regard to the change that was made in the act in the session of 1925; imprisonment in such cases is still obligatory. That was distinctly for the offence known as smuggling. The particular clauses before us deal with offences which perhaps approach to the act of smuggling but are not, strictly interpreted, smuggling. For instance, he might bring in goods through a place not a port. That might be intentional smuggling, or it might not. Or he might remove goods before examination or payment of duty. That, I submit, is not quite so serious as a deliberate bringing in of goods without payment of duty, and these particular clauses deal only with cases of that kind.

Mr. STEVENS: I really would not like to let the minister go with such an interpretation as that. This is simply the interpretation of what smuggling is; it is really defining what smuggling is. We use the term smuggling in a broad, general way—let me put it this way: If my hon. friend's interpretation prevails, then all a designing smuggler would have to do would be to find a point on the boundary that is not a port and bring his goods across there; then he is not a smuggler; he is inadvertently coming into Canada with the goods, he could plead. The idea of this section is to make it clear that that is smuggling, that it is his duty to come in and report at the port of entry. That was the whole trouble along the boundary line down in the eastern townships, and in my province, and in other sections of the country where the boundary line runs through such an extended country that it is impossible for the government to have ports of entry at every crossing. Indeed, one of the great problems we were faced with was

whether we should not close all the roads across the boundary except at ports of entry. This is one of the great problems. Now this section of the act, even before it is touched, defines smuggling as crossing the boundary with goods at points other than a port of entry; of course, knowingly, wittingly, is implied. If my hon. friend's interpretation prevails, he will simply be offering a premium for the smuggler to go to these out-of-the-way places for access into Canada. I must correct him in that: he is wrong in his interpretation there.

Mr. EULER: I do not think I am wrong in my interpretation. As I said, active, actual smuggling, as it was always known, deliberate smuggling, is not removed from the operation of the amendment to the act that was put through in 1925. I want to make the law just as water-tight as possible so far as actual smuggling is concerned. But there may be cases, and this was the idea in mind in drafting the bill before the House, although a little error was made, where a man may remove goods before examination or payment of duty. That might be the action of a deliberate smuggler, or it might not. It is quite conceivable that an innocent party might do that, and if we passed the section as it is now the judge would have no option in such a case; he would have to impose both fine and imprisonment. I would also point out to my hon. friend across the way that it does not follow, if we change this, that the judge will not impose both penalties. He still would have the power to impose both fine and imprisonment. We are merely leaving it to the discretion of the judge as to whether both fine and imprisonment shall be imposed.

Mr. STEVENS: That was the whole bone of contention in the discussion of last year.

Mr. EULER: If I were sure that it would have the effect that my hon. friend fears I would not suggest making any change, because, as I say, I want to make it certain that the smuggler will be punished. But I do not want to go so far as to make it obligatory upon the court to imprison a man who, after all, has no intention of smuggling, and I say that it is quite conceivable that that might be the case; he might remove the goods, for instance, before examination or payment of duty. He might be ignorant of the law. Many people do not know the law so well as perhaps hon. members of this House, and if an innocent person did that, the judge would have no option; he would have to send him to gaol. I would not like that to happen. If the judge in his wisdom decides that the man did it with the intention of smuggling, he has the power to impose not only the fine but imprisonment as well. It seems to me that perhaps the other might be just a little bit too drastic.

Mr. STEVENS: I am sorry, but I must conclude with protesting against the minister making the change. I warn him now that he is making a serious mistake.

Mr. McKENZIE: Coming from the prairies as I do, from a part of the country bordering on the Dakota boundary, I can fully appreciate what the minister has said. In my opinion this section is a little drastic as applied to a sparsely settled country such as we have on the prairies. We have a number of farmers in the constituency I represent, and the same thing applies all along the border of Manitoba, Saskatchewan and Alberta, whose closest point to market is in the state of Dakota or Montana, as the case may be. They will probably go over to the nearest town on the other side of the border and buy a line of machinery with the intention of paying the duty, but on the way home they find there is not a custom house to which they can report within probably twelve or fifteen miles, and consequently they go home with their line of machinery intending to report at the nearest custom house at the first opportunity, but that may not be for several days sometimes. Now if this section passes, that man will be considered a criminal for those days in which he has failed to report. This section may be all right for the purpose intended. I am not trying to defend the professional smuggler by any means, but I am concerned about the man on the land who intends to carry on his business legitimately, but who owing to the long distance from the custom house does not find it convenient to report immediately.

I think also that there should be an easy method of appeal from the decision of these two justices of the peace who are mentioned in this section. I do not think that too much should depend on the judgment of two justices of the peace in imprisonment cases. I think there should be an easy method of appeal from their decision. To sum up, I think this legislation is entirely too drastic for a sparsely settled country such as our prairies.

Mr. BEAUBIEN: I think the idea underlying our customs law is to prevent the professional smuggler from making a business of smuggling goods into Canada. In my view this amendment is entirely too drastic. My county borders on the states of Minnesota

and Dakota, and the people in my district take a great deal of cream and milk to the United States. That is the only place they can sell the stuff. If these people come back with a pair of shoes for the children, or something of that kind, or perhaps some articles they get for the price of their product, they come under the penalty provided in this act.

Mr. STEVENS: No, they do not.

Mr. BEAUBIEN: The penalty is $200.

Mr. STEVENS: They do not pay a fine of $200 for bringing in a pair of shoes.

Mr. BEAUBIEN: The justices of the peace in most of these places are liable to interpret the law strictly and give the offender the limit of the penalty. I agree there should be facilities for appeal with as little expense as possible to those charged, because these people cannot afford to pay the large sums which most of these appeals cost. I cannot allow legislation such as this to be enacted without protesting on behalf of the electors whom I have the honour to represent, and I will tell the Minister of Customs that I think I represent a county where there is no smuggling.

Mr. EULER: When we have a protest from one set of gentlemen who go to one extreme and another set who go to the other extreme on this question, I think I am about right.

The CHAIRMAN: Mr. Heenan moves:

That the word "or" be substituted for the word "and" in the third line of paragraph (b) of section 15, and that the words "or to both fine and imprisonment" be added at the end of the paragraph.

Mr. McKENZIE: Does the minister not consider that the provision "not exceeding seven years" is rather drastic? Make it one year and not less than thirty days.

Mr. STEVENS: Does my hon. friend want to put a premium on smuggling again?

Mr. SPENCE (Maple Creek): No, but it is quite possible to make the punishment altogether out of proportion to the crime. There was a time in the old country when under the law a man could be hanged for stealing sheep, but no one was hanged because they could not get a conviction. If you make the punishment too drastic it will be impossible to obtain a conviction.

Mr. EULER: It is not necessary for the judge to impose seven years. He can use discretion.

Mr. YOUNG (Weyburn): I think the whole section is vicious. My hon. friend speaks about putting a premium on smuggling. He raised a great disturbance last year on the question of smuggling. It seems to me he went after the crudest form of smuggling—the man who smuggles something over the border, gets caught and has to go to gaol for seven years. But the man who smuggles a word into the customs tariff can get all the goods into the country he likes, free of duty, and goes off scot-free. There is a section in the customs tariff which says that wool of a kind and class produced in Canada shall bear three cents a pound duty. There is another section which says that the wool and the hair of the camel, alpaca, and so on shall come in free. We find that the friends of my hon. friend who are so concerned about putting a stop to smuggling can get all their raw wool in free by smuggling the word "wool" into another part of the tariff. Those are the people who are defrauding the country of revenue. If you take a man who smuggles an article into this country, or who is found in this country with the article in his possession, and send him to gaol for seven years, you bring the whole tariff into disrepute among the people, and it will bring the government into disrepute among the people. If you try to enforce such a provision as that you will find that the whole customs law will stink in the nostrils of right thinking people. I protest against it.

Mr. COOTE: I do not suppose I can prevent the section from carrying, but I would like to enter a word of protest against subsection (a). It is altogether too severe. If a man smuggles in a shirt I suppose he would be liable to a fine of $50 and imprisonment for a year. I would like to see a section inserted in our Customs Act similar to that in force in the United States, which country is always held up to us as an example of the high tariff. The citizens of the United States may once a year bring in goods up to the value, I think, of $100, without paying duty, simply by making a declaration that they have not previously in that year taken any goods into that country. Everyone who goes from this country across the line would probably like to bring in some little article when he returns, and under this act if he did not declare it he is liable to this fine of $50 and possibly imprisonment.

Mr. EULER: I will say for the information of the committee and my hon. friend that we never prosecute except where smuggling is done with commercial intent. It would be unwise to deprive the department

entirely of the machinery for prosecuting real smugglers. If cases such as my hon. friend refers to arise, we never do prosecute.

Mr. BEAUBIEN: Who is going to decide whether or not a man intended to smuggle?

Mr. VENIOT: You have to consider the circumstances of the case.

Mr. YOUNG (Weyburn): I have known cases where a policeman would go to the collector and say, "Do not collect duty from this man because I want to make an example of him."

Mr. HEAPS: The minister stated that the department did not prosecute in such cases as the one he referred to, and to which I referred earlier in the evening. Would it not be well to make that clear in the act? If we had such a provision in the act it might overcome the difficulty. Further, if such exemptions are allowed I do not care how stiff we make the penalty for the persons actually engaged in smuggling. I do not see why we should have two penalties in the act providing for the punishment of smuggling. I think it is an offence whether you smuggle $50 worth of goods or whether you smuggle $5,000 worth of goods. Here we are classifying it under two heads; one type of offender will be liable to imprisonment up to one year, and the other man liable for imprisonment up to seven years, yet it is quite conceivable that under certain circumstances the person who is smuggling in $200 worth of goods may be guilty of a worse offence than the man who smuggles a larger quantity. I understand that it is an unusual practice in law to have two penalties for the same kind of offence. I wish the minister would be good enough to state what the objections are to inserting in the act a clause which would grant exemption say up to $50 or $100 for persons who are bona fide travellers re-entering Canada, and who are, of course, Canadian citizens. Naturally this would exclude merchants from going abroad and bringing back merchandise, but it would allow a person who, say, travels to Europe or crosses into the United States once a year to come back with goods to the value that I have mentioned.

Mr. VENIOT: For a number of years I was in the customs administering one of the chief ports of New Brunswick, and during eight years of that time I was engaged in detecting smuggling on the high seas and on the border. In cases of petty smuggling, so to speak, instructions were always given that no prosecution should take place until a report had been made to the department, in order to prevent an officious official persecuting instead of prosecuting. If I mistake not, to-day the regulation is that where the seizure does not exceed two hundred dollars in value the officer is to report to the department for instructions. Where the value involved is over two hundred dollars I do not know what the regulation is now, but I should say from my experience that the officer making the seizure would have to report directly to the Customs department before taking action in the courts. In the case referred to by the hon. member the Commissioner of Customs could very well have an investigation made, and he would then be in a position to determine whether there was an attempt to evade the customs. In the absence of any intent to smuggle, I do not believe the department would order a prosecution. I live in a province that is almost surrounded by the sea and on the land side we are bounded by the state of Maine and the province of Quebec. I am free to admit that in the past there has been a great deal too much smuggling, principally by sea. Canadians crossing the border into Maine by automobile or other vehicle have to secure permits from our collector of customs and excise, and to present those permits to this official on their return. Where the customs officials had to close their offices to attend to some other important business, and the returning Canadian had no opportunity to declare any purchases that he had made during his visit, I have known officious officials to institute proceedings for violation of the law. Such cases might very properly be referred to headquarters for instructions. I think with the section in its present form our friends may rest assured that very little injustice will be done to those who may be trapped in that way.

Mr. HEAPS: Are prosecutions left entirely to the discretion of the Customs department?

Mr. VENIOT: When I was a collector of customs I was instructed always to report seizures up to a certain amount before taking legal proceedings.

Mr. HEAPS: A man bringing in fifty dollars worth of goods in the way I have mentioned would still be liable up to the amount of the customs duty?

Mr. VENIOT: Certainly; and if it was found that he was attempting to smuggle the goods he could be punished by the imposition of double the duty. That has been done in many cases.

Mr. HEAPS: My idea is to exempt up to a certain value goods brought in by a traveller.

Mr. VENIOT: Going backwards and forwards?

Mr. HEAPS: No, only once a year.

Mr. VENIOT: At the present time American tourists are allowed to take home a hundred dollars worth of goods purchased in Canada. I would suggest that we might allow bona fide Canadian tourists to the United States to bring home purchases up to the value of fifty dollars free of duty.

Mr. BROWN: Is the minister certain that the United States provision is still in force? I heard the statement made recently, seemingly with authority, that that provision had been cancelled.

Mr. VENIOT: It was in force up to the month of August last.

Mr. MANION: During the past year or two I have had a number of protests from merchants at the head of the lakes who sell goods to American tourists that those tourists are not permitted to take home one hundred dollars worth of Canadian goods. I communicated with Washington, and my recollection is that there is no such regulation in effect but that it is left entirely to the discretion of the customs agent. In a large proportion of the cases American tourists are not permitted to take home Canadian goods to the value stated. I do not think that this discretion is at all generally exercised.

Mr. BROWN: It was being permitted very generally at Winnipeg up to the time the statement that I have referred to was made, seemingly with authority.

Mr. MANION: That is right.

Mr. VENIOT: It depends upon the officiousness—if I may use the term—of the official.

Mr. MANION: No, the authorities told me otherwise.

Mr. VENIOT: The American authorities advertised last summer throughout the province of New Brunswick that every American tourist was allowed to take back a hundred dollars worth of Canadian goods free of duty.

Mr. MANION: What authority?

Mr. VENIOT: The American consular agents in New Brunswick.

Mr. MANION: They are kinder to New Brunswick than to some of the other provinces.

Mr. BANCROFT: When I left Winnipeg, large departmental stores there were displaying placards with the information that American tourists were allowed to carry back $100 worth of goods duty free.

Mr. VENIOT: I do not believe that the penalty could be made high enough. If you want to stop smuggling you must have a penalty which will be a real deterrent. My hon. friend says that the penalty should be made to fit the crime. I agree with him, and there is no greater system of demoralization along the coastline of the maritime provinces, among the fishermen and other people there, than the practice of smuggling liquor. In my own county, for example, 550 fishermen leave the shore every Monday morning, remaining away all week. On returning on Saturday they come across the vessels of smugglers lying in what is known as Rum Row outside the three-mile limit and beyond reach of the law. These fishermen are engaged to land secretly the liquor brought in by the smugglers, and they do land it along the shores of northern New Brunswick. There are very few cases in which these fishermen do not reach their homes on Saturady night drunk and in such a condition as to leave them impaired.

Mr. YOUNG (Weyburn): Are these men smuggling whiskey into Canada or out of the country?

Mr. VENIOT: Into Canada.

Mr. YOUNG (Weyburn): From the United States?

Mr. VENIOT: The whiskey is smuggled into Canada from St. Pierre-Miquelon. A good deal of the whiskey is landed in bonded warehouses import for export; it is then shipped to St. Pierre-Miquelon and smuggled back into New Brunswick. Even in the days when the duty was not so high and when whiskey was only $2.40 a gallon there was smuggling.

Mr. QUINN: Who gave the licenses to these export and import houses?

Mr. VENIOT: These houses receive their licenses on the authority of the attorney general of the province in which they are issued. If the attorney general does not sanction the issuance of them, the licenses are not given; that is my answer to the hon. gentleman.

Mr. QUINN: That is a good answer. I will give you more presently.

Some hon. MEMBERS: Order.

Mr. VENIOT: I am not discussing that question now, but if the hon. member wishes to take it up some time when it will be in order I shall be at liberty then to discuss it with him.

Mr. QUINN: I will tell the Postmaster General something before I am through.

Some hon. MEMBERS: Order.

Mr. VENIOT: We are not discussing bonded warehouses now.

Mr. QUINN: I can tell him about the dismissals—

Some hon. MEMBERS: Order.

Mr. VENIOT: I do not think there should be any change in the penalty now proposed.

Mr. KAISER: Did I understand the minister to say that the smuggling was due to the raising of the duty?

Mr. VENIOT: I did not say that. While the incentive may be greater with an increased duty, the lowering of the duty in my opinion would never stop smuggling.

Mr. KAISER: Is it the opinion of the government that a reduction in the customs duty would tend to mitigate smuggling?

Mr. YOUNG (Weyburn): There is something in what the Postmaster General has said as to the demoralizing effect of the smuggling of whiskey; but it is not advisable on that account to punish all smugglers as harshly as is here proposed. I suggest that the smuggling of liquor be dealt with in a different act entirely and that in this legislation we deal with smuggling of general merchandise.

Mr. BEAUBIEN: I gather that if it is proven that a man intends to smuggle he comes under this legislation. Who is going to prove intent? Is the prosecution to be begun before that point is established?

Mr. EULER: I have a few words to say in correction of a misapprehension that exists more especially on this side. Let me say at once that the country as well as the House expects us to make such changes in the act as will enable us to put an end to commercial smuggling, and in order to do that it is only fair for the department to ask for powers which will be adequate to cope with the present evil—powers that are a great deal wider than we shall have to exercise in ninety-nine cases out of a hundred. Where only a small amount is involved, a sum under $200, there is never any prosecution by the department; but where the amount exceeds $200 the prosecution is taken.

Some objection is raised to the power given justices of the peace. That is nothing new; there is an appeal from the judgment of the two justices of the peace to the county court judge. That has always been in the act. The minimum penalty of $50 is also already in the act. If the amount smuggled is small we never prosecute. Something must be left to the judgment of the courts and of the department. If we are confined to a hard and fast rule, the object of which is to obviate all possibility of injustice to petty smugglers, our hands may be tied so securely that we shall not be able to act when action is imperative. I think it is right, in view of all the conditions and having regard to the feeling throughout the country, that the department should be given, in extreme cases, such power as would not be exercised where the conditions did not warrant it. We shall do all in our power to stop commercial smuggling, but I can assure the committee that we will not use that power as an instrument to persecute anybody. Most of the objections that have been raised are objections which we have heard before; they are not new. They relate to provisions which are already in the act, and this debate will have done this much good: it will have made us more familiar with the existing law.

Mr. BEAUBIEN: The minister has not answered my question.

Mr. EULER: I thought I did.

Mr. WHITE (Mount Royal): I want to express my concurrence in the section now under discussion, the object of which is to prevent commercial smuggling, to use the minister's phrase, and in the event of smuggling to punish adequately those who are found guilty. I do not think the intention is to prevent of what might be called innocent smuggling; a lady returning from New York or Atlantic City during the Easter holidays may bring back a bonnet which is subject to duty under the strict application of the law, and she may fail to pay duty on it. That is not the smuggling contemplated by the act. I know as a matter of experience that the law is applied with a good deal of mercy in this respect. For instance, the law says that if goods are brought in in a conveyance, the conveyance shall be forfeited, while as a matter of practice double duty is generally imposed and the matter is ended. My contention is that the minister should be given power to impose an extremely severe penalty upon

deliberate smugglers, and he should also be given some latitude for the exercise of common sense in respect of what may be called innocent evasions of the law. I concur heartily in the proposed amendment and if necessary will vote for it.

Mr. BEAUBIEN: May I have an answer to my question? Suppose a man brings in goods to a value of less than $200. Is he prosecuted before the matter is referred to the department?

Mr. EULER: No.

Mr. YOUNG (Saskatoon): In speaking on this question I do not want anyone to conceive the idea that I am speaking for the smugglers. I quite realize that we must have drastic penalties and that we should do everything possible to stop smuggling, but nevertheless when you put a law on the statute books which is too severe I am not sure that it accomplishes the purpose intended. According to this provision, a person in possession of over $200 worth of smuggled goods is fined $500 plus some penalty, and it does seem to me that the man who brings in the goods to the value of say $201 is not in the same class as the professional smuggler who brings in goods worth a large amount of money. I would like to ask the minister if he has considered a sliding scale of fines, say $500, $1,000 and $2,000. At present it would seem to me that the small smuggler is being penalized very severely while the large smuggler is not penalized sufficiently. I believe the minister might look into that matter.

Mr. McINTOSH: I would not like this opportunity to pass without saying something in connection with this clause. We are trying to eliminate the professional smuggler, and the quicker that is done the better it will be for Canada. I think smuggling is in large degree the result of protection, and we on this side of the House are out to eliminate all undue protection and at the same time to stop smuggling. So far as this actual clause is concerned I would not make it an indictable offence; rather I would suggest fining a man according to what he smuggles; if he smuggles goods to the value of $1,000, fine him perhaps $2,000—make the fine commensurate with the offence. More than that, I can say that the representatives of Saskatchewan on this side of the House want to have the professional smuggler made a minus quantity in Canada, and in standing for a fair law we feel we will get further ahead in a few years in the wiping out of these professional parasites.

Mr. GARLAND (Bow River): I would like the minister to give the committee some of his ideas on this particular point. I thoroughly agree with those members who have advocated the free entry into Canada of $100 worth of personal goods, brought in by tourists, provided of course that the smuggling traffic can be guarded against, but I did not hear the minister give us his views on this particular question. I do not like to force him to do so, but he has the act under his control and he may be able to clear up this matter with no further debate.

Mr. EULER: That is, after all, a matter of policy on the part of the government; I have not given it any particular consideration and I am not in a position to say anything definite in that regard. I think the reason why so many people are requesting that we grant a privilege which is supposed to exist for the benefit of those entering the United States is that there is some doubt whether that privilege still exists, or whether it will continue to do so.

Mr. McGIBBON: It exists at present.

Mr. EULER: I recently read in the newspapers that a decision was rendered in a United States court to the effect that the law permitting a tourist to bring goods to the value of $100 into the United States applies only to those tourists returning from Europe. However, perhaps that is not pertinent to the discussion, I know the great mass of the people would like to bring something in from the United States without paying duty on it, and I believe they are very much in favour of this idea. I do not say I would not be in favour of it myself, but at this time I am not prepared to make a pronouncement on it or to insert anything like that in the bill.

Mr. GARLAND (Bow River): Just to follow that up, might I suggest that as this would be a matter of government policy, and as a private member may not move an amendment which may involve loss or addition of revenue, it will depend entirely what attitude the government wishes to take whether or not this change will be made. I do not know the intentions of the minister, but if this bill is once passed it will require government action to bring about that change in the future.

Mr. EULER: I am open to correction, but I question very much whether that could be done in a bill of this kind. It appears to me that it is a tariff change and would be properly considered under that heading.

Sir EUGENE FISET: I wonder if the minister would inform us—and I am asking only for information—who is to establish this value of $200 and on what basis? For instance, let us suppose that a man brings in goods to the value of $150; is the duty added to that value in order to bring it over the $200 limit, or how would that value be arrived at?

Mr. EULER: The value is arrived at according to the price paid for the goods, taken either from the invoice or possibly from what the man says.

Sir EUGENE FISET: The actual value?

Mr. EULER: Yes.

Sir EUGENE FISET: Plus the duty?

Mr. EULER: Yes. When it comes into Canada it is worth what he paid for it plus the duty he should have paid.

Sir EUGENE FISET: Then this clause is three times as drastic as it appears. If a man brings in goods to the value of $150 on which the duty payable amounts to $50, the duty is added to the purchase price and the poor devil will be proceeded against under the provisions of the act.

Mr. LAVIGUEUR: I believe this House and the country at large looks for something to be done to stop the smuggling of goods into Canada. We heard a lot last year about the customs investigation and thousands and thousands of dollars of the people's money has been spent—I may say wasted—to find out whether or not smuggling was being carried on. To-day legitimate merchants who buy goods and pay the duty look to the government for protection; they hope for some measure which will protect them by stopping the smuggling as much as possible. Therefore the Minister of Customs and Excise deserves a great deal of credit for bringing in this measure which, I think, will be an improvement.

Mr. POWER: I disagree altogether with the hon. member (Mr. Lavigueur) who sits next to me. I think the penalty is altogether too severe. Let us understand properly the functions of the Customs department. The Customs department is not a police department; it is not a department to inflict punishment on the citizens of this country; it is a department whose principal and ordinary function is to collect revenue. I have not much objection to the imposition of a fine of $500 on those who smuggle goods to the value of over $200; but when it comes to a question of sentencing a person to imprisonment for a term not exceeding seven years and not less than one year, the legislation becomes a perfect nuisance. Some poor unfortunate will smuggle goods to the value of $200 and it is easy enough for one to do that without perhaps thinking seriously of the consequences of the act. He is thereby placed, as I understand the legislation, at the mercy of two magistrates as to whether or not he will become branded as a criminal and go to the penitentiary for seven years. Really this is putting altogether too great power into the hands of the minister or of the Department of Customs. After all smuggling may be a crime, but it is not such a heinous crime that we must impose such heavy penalties. I would respectfully suggest to the minister that he make the gaol penalty much less severe.

Mr. PERRAS: I feel that the penalty is far too drastic. Would this penalty apply to wearing apparel, boots and shoes, dry goods or things of that description, or would any distinction be made between liquid and other goods?

Mr. McGIBBON: I would like to support the views of the hon. member for Quebec South. I am sure the minister has the sympathy of everybody in this chamber in his efforts to prevent smuggling; but when you begin to put people into gaol, you are bringing upon their wives and families disgrace that will probably be handed down for two or three generations, and before you do that you should have some stronger excuse than simply the fact that a couple of hundred dollars' worth of goods have been smuggled into this country. I look upon a gaol sentence as being very severe, probably not so much on the man who is sentenced, but upon his wife and children. It is something that will follow them to the grave.

Mr. POWER: In many cases it is very hard on the husband if it happens to be the wife who goes to gaol.

Mr. McGIBBON: The hon. member for Quebec South has more courage than I have. I would not say that before the House of Commons. If you make penalties too severe you bring the law into contempt. Many of us have had that experience in connection with legislation passed in Ontario during the last few years. When people have a contempt for the law, they will not be far away from anarchy. Our main object should be to have our people respect the law. I have voiced my objection before, and I will continue to do so as long as I am in this House, against imposing gaol penalties for what in the public mind is not a gaol offence.

I would like the minister to consider that because, by being too drastic, he may do more harm than good. We have to remember that the ordinary people in this country are not lawyers; they do not understand these penalties, and when they come into a police court and are tried by magistrates who are sometimes prejudiced, sometimes unfair, and I was going to say, never judicial in their decisions, we are putting into their hands too great a power. If these cases were all being tried by judges the matter would be different, but many of these magistrates are taken out of an office, some of them off a farm; they have no training in law, and their sense of justice is sometimes overridden by their prejudices.

Mr. EULER: Possibly my hon. friend may not have noticed that the penalty of imprisonment need not be imposed.

Mr. McGIBBON: But it may be.

Mr. EULER: I think it should be possible to impose that penalty in the case of the confirmed smuggler.

Mr. McGIBBON: Yes.

Mr. EULER: We want the power to go after the man who deserves the punishment. Those who are less culpable can be dealt with much more leniently under the bill as it now reads. The penalty may be either fine and imprisonment or only one or the other. It is not proposed to impose both fine and imprisonment. Some hon. members perhaps believe that this means where a man smuggles more than $200 worth of goods he must of necessity be sentenced to imprisonment. That is not the case. The point I am trying to make is that it is not obligatory on the court to impose the penalty of imprisonment. The court in its discretion may impose only a fine and surely it ought to have that power. The court has also the power to impose a sentence of fine and imprisonment, and I think it ought to have that power in some cases where we have a confirmed smuggler to deal with. It has the power, but it does not follow that it will always exercise that power. I would point out to the hon. member for Quebec South that it is not the minister who has that power; it is placed in the hands of the court.

Mr. EVANS: I think the minister would be well advised to hold this over and redraft it in such a way as to meet the wishes of a large portion of the members. It seems very unreasonable to me to classify as a professional smuggler and to make liable to the same imprisonment every person who happens to have been visiting the old country and to have returned with a few presents. I agree that the department should have all the necessary power to deal with the liquor question and commercial smuggling from the United States. The whole legislation relating to protection in this country has been too much in the hands of one man; too much power has been given all the way through to the Minister of Customs, and I would ask him to hold this over and redraft it in such a way as to differentiate between the ordinary citizen bringing in a few presents for his family and the commercial smuggler.

Mr. McGIBBON: My objection is not so much to the spirit of the legislation as to the power that is being placed in the hands of people untrained in the law. I might illustrate in this way what I mean. I know of a case that occurred a couple of years ago where a man was sentenced, I think, for three years in Kingston penitentiary for having stolen goods in his possession. The person who had stolen the goods swore that this man did not even know they were stolen, yet the magistrate convicted him and sentenced him to gaol for three years. If that had been in the hands of a judge I do not believe such a thing would have happened.

Mr. EULER: Indictable offences go to a judge except—

Mr. McGIBBON: Then my objection is largely overruled.

Mr. POWER: Even though it does go to a judge, I think seven years is far too much. We should not in these purely civil matters, and after all, that is all that the crime of smuggling is—it is only an attempt to cheat His Majesty's customs, and everybody knows that three-quarters of the people of this country do not consider it a crime—we should not, I say, create crimes by act of parliament with the intention of putting in prison people who really should not go there. We have enough crimes now in our criminal code without taking up the time of parliament in making more.

There is this further consideration. In the reorganization of the Customs department, I understand that there is to be at the head of the preventive service a man who hitherto has been dealing with the underworld, a man who has been in charge of the narcotic squad, in charge of the police whose duty it is to prevent the smuggling of goods into this country. This man must of necessity be someone who will not have the discretion and tact and the feeling necessary to deal with ordinary cases of non-commercial smuggling.

I doubt very much whether it is wise on our part to put at the head of the preventive service a man of that calibre. I am not saying anything derogatory of his character, for he must have been a man of some strength of character and of will to deal with the people with whom he had to deal. But when cases come before him such as he will have to deal with under this act he will be entirely out of his element, and I for one object to his being given the power which I suppose he will be given under this act to prosecute for violations of the law.

I would suggest to the minister that the term of imprisonment be not less than six months and not more than two years. Why, you can commit almost any crime on the calendar and get away with seven years, and I do not see why a specially made crime, as the result of agitation during the course of the last year or so, should be punishable to such a degree as it is under this act.

Mr. EDWARDS (Frontenac): I do not see why in paragraph (b) the same option is not given as in paragraph (a). If the value of the goods is under $200, then the person convicted is liable on conviction to a fine or to imprisonment, or both; that is paragraph (a).

Mr. VENIOT: An amendment has been proposed.

Mr. EDWARDS (Frontenac): I was not aware of that. In regard to what has been said as to the penalty being too severe, perhaps it is. At the same time, with whom are you dealing? If a man has courage enough to break into a bank or hold you up on the highway—and he is taking chances in doing that—and he gets away with a few thousand dollars, you would not say that seven years was too much for him; not at all, serves him right; and yet he had the quality of courage at all events. But here you are dealing with wholesale thieves, with men who are stealing not in small quantities but making a business of stealing wholesale.

An hon. MEMBER: Not altogether.

Mr. EDWARDS (Frontenac): To a large extent. I am referring now to the class of smuggler referred to by the minister himself, the man who has to be dealt with severely because he is making a practice of smuggling, as they have been doing in this country, stealing from the public revenues, not thousands, but millions and millions of dollars. I have no sympathy to waste on these people at all, not a bit. In so far as this is general and applies to all convictions for smuggling, I want to say that in my estimation it is not severe enough.

[Mr. Power.]

In dealing with these people who are engaged in the smuggling of narcotics, you should not stop at seven years; you should put them in prison for life. Better still, to save the country expense, they ought to be taken out and hanged. That is the way to deal with these people. There is no joke about that at all, because the men who are engaged for gain in the smuggling of narcotics are committing murder by degrees—the worst kind of murder. I have less regard for them than I have for the man who in a fit of passion kills his fellow-man; and I would deal with them just as severely as it was possible to deal with them. It may be that the term of imprisonment might be modified to some extent, but as to those who are going to make a business of smuggling, a business of wholesale stealing from the revenues of the country, men who are thieves and nothing but thieves, the law is there, and they disregard the law for the purpose of personal gain. I do not see, therefore, that they are entitled to any sympathy at all. I want to add a word of commendation of the minister for the vigorous manner in which he has undertaken to deal with these people. He deserves all kind of credit, and I wish him every success in his task.

Mr. FANSHER (Lambton): Since the session was opened it has been made clearly manifest that we are going to maintain a customs tariff. This House has declared so by two votes, and if we are going to maintain a customs tariff, surely we must have some penalties for violation of the act. I agree in a large measure with what the Minister of Customs has proposed, that the penalty should be severe. However, I am entirely in accord with the suggestion made by the Postmaster General of allowing goods to the value of $50 to be brought into this country free by tourists. The Customs Tariff Act of the United States provides in paragraph 1695 that:

> Clothing actually owned by persons and in their possession at the time of their departure from a foreign country—

Shall be admitted, and paragraph 1696 provides that:

> Articles acquired abroad by residents of the United States for personal or household use, or as souvenirs or curios, but not bought on commission or intended for sale, up to, but not exceeding a total of one hundred dollars.

Shall be admitted free. I think if a good stiff penalty is imposed for actual smuggling, and some such regulation as they have in the United States Tariff Act is included in ours with regard to tourists bringing in a small quantity of goods, the difficulty that has been suggested here to-night will largely be overcome. The ruling given by the United

States customs officials in the port of Detroit is that these goods shall be admitted free when brought in by bona-fide tourists touring abroad. It does seem to me that when we are going to have a customs tariff—and it seems we are, and a good high one, much to my regret—we have to have a stiff penalty for infractions of the law, but I believe that tourists should be allowed to bring goods up to the value of $50 or $100 into Canada, just as the American tourists are allowed to take goods back when returning to their country.

Mr. CANTLEY: I am quite sure that all members of the House are willing to support the minister in anything that will effectually deal with the professional smuggler. I wonder if instead of changing the word "and" to "or" in the third line of paragraph (b) he would make it read:

In the case of a previous conviction.

So that if the smuggler has been previously convicted the magistrate would have no option, but to commit him to gaol.

Mr. EULER: We have a section later on in the bill dealing with the same offence.

Mr. CANTLEY: I was not aware of that, but would not this be a good place to put it?

Mr. EULER: This section seems to have caused a great deal of discussion because of the penalty features of it. There are several other sections that also deal with penalty. I have no desire to force the measure through even if I could. I am quite willing to give it consideration. Possibly we might go on with certain sections which do not include this feature.

Mr. ESLING: Will the hon. minister consider an amendment to item 690A in the regulations? There has been talk of considerable latitude being allowed to tourists who bring in personal belongings. I wish to refer to the conditions that exist in some isolated communities. On the main line of the Canadian Pacific railway in the West Kootenay district the port of entry is Revelstoke. Many of the residents in the district along the Arrow lakes for a distance of one hundred miles are largely English families and at Christmas time they receive their plum pudding and other Christmas remembrances, but with great regularity those settlers are put to considerable inconvenience. They claim that these Christmas gifts should be admitted under the casual donations provision. I have in mind two concrete cases. For instance, at Christmas time a family in that district received from their own relatives in England a Christmas pudding and it was necesary to conduct a lot of correspondence with those families because they cannot get up to Revelstoke and back in less than three days to present their claim. The consequence was that last Christmas one family in that district did not receive their Christmas gifts. In the case of a haggis the customs collector went so far as to charge fifty-two cents to the family receiving it. Last Christmas season some of the families along the Arrow lakes did not receive their Christmas gifts from the old country until a week after the Christmas festival. Their plum puddings were held up—

Some hon. MEMBERS: Oh, oh!

Mr. ESLING: It may be a joke to some hon. members, but it is no joke to these people. They are isolated and living about a hundred miles from the customs house and they are put to serious inconvenience until letters are sent back and forth between the customs officials and these people. In another case a charge of forty-two cents was collected from a settler for some shortbread sent from the old country for a Christmas present. Surely the customs officials should be permitted to exercise some little discretionary power in reference to Christmas presents. People expect to pay duty when they are sending to the old country to purchase goods, but when the parcels are marked "Christmas presents" I think the minister should ask the customs officer at Revelstoke to exercise a little common sense and let the parcels come in duty free.

The CHAIRMAN: The minister suggests that sections 15 to 20, both inclusive, stand.

Mr. BENNETT: I think there has been some little confusion between the granting of the authority to impose a penalty and the imposition of the maximum penalty. It does not follow that because the power is there it has to be exercised. Some of the observations that have been made would lead one to believe that hon. members were fearful that judges would, for a first offence, impose imprisonment of seven years in addition to the fine. We all know that that is out of the question. I quite agree with the section as drawn by the minister and presented to the House, and I believe it should be passed.

Mr. YOUNG (Weyburn): I would like to remind the hon. member for West Calgary of a little quotation with which he is quite familiar:

How oft the sight of means to do ill deeds
Makes ill deeds done!

Mr. BENNETT: I am so delighted that the hon. member has made that observation, because it shows how little he understands the character of the legislation. This is a judicial power, and it is subject to correction by the court to stop ill deeds, and not to make them done. Furthermore, it is a judicial power, and if anything wrong is done by the magistrate under our jurisprudence it is always open to the person who may be aggrieved to avail himself of the remedy accorded to him.

Mr. YOUNG (Weyburn): The poor man who cannot pay the fine must go to gaol; he cannot go to a higher court, by way of appeal.

Mr. BENNETT: I am sure the solicitude of the hon. gentleman for those whom we heard of last winter will be received in some quarters as an act of very great grace indeed, and as indicating a sympathy for that class of the community that is much required.

Sections 15 to 20 stand.

Sections 21, 22 and 23 agreed to.

Mr. YOUNG (Weyburn): Look at section 23—

Some hon. MEMBERS: We are past that section.

Mr. YOUNG (Weyburn): It should not have passed. The same principle is involved here. Consider the penalty there—imposing on the man for having goods on the boundary line a fine not exceeding $1,000, or not less than $200, and to imprisonment for a term not exceeding one year and not less than one month, or to both fine and imprisonment. I object to that section. It is in the same class with section 15.

An hon. MEMBER: It has been carried.

Mr. YOUNG (Weyburn): Not carried.

The CHAIRMAN: I declared the clause carried. If the committee wish it may be reconsidered.

Mr. EULER: It may stand.

The CHAIRMAN: On the suggestion of the minister clause 23 stands.

Mr. McLEAN (Melfort): If clauses are to be slipped by in this way and if when an hon. member asks that a clause be reconsidered it cannot be reconsidered, we must protect ourselves by insisting that every clause be read.

[Mr. E. J. Young.]

Mr. EULER: I have suggested that it stand.

Mr. McLEAN (Melfort): Thank you.

Section 24 agreed to.

On section 25—Being on board of smuggling vessel—penalty.

Mr. YOUNG (Weyburn): Here is another imprisonment penalty. I suggest that this clause also stand over.

Mr. EDWARDS (Frontenac): How would it be to take all the penalties out of every infraction of the law? That is apparently what the hon. gentleman wants.

Mr. YOUNG (Weyburn): The hon. gentleman seems to think that any man found in the company of a smuggler or with smuggled goods in his possession is a thief and a coward. If I understand the law aright, a man found with stolen goods in his possession loses the goods; but we are providing here that if he is found with smuggled goods in his possession he is to be treated worse than a thief.

Mr. SPENCE (Parkdale): He is worse than a thief.

Mr. YOUNG (Weyburn): That is a nice sense of morality.

Mr. YOUNG (Saskatoon): Let me cite the case of a young fellow as honest and honourable as any man born in Nova Scotia—

Some hon. MEMBERS: Oh, oh.

Mr. BENNETT: He came from Lunenburg, I suppose.

Mr. YOUNG (Saskatoon): If any man has anything to say against Nova Scotia let him say it.

Mr. MANION: You have just said it.

Mr. YOUNG (Saskatoon): I am going to cite the case of a young man as honest and honourable as any man born in Nova Scotia.

Some hon. MEMBERS: Oh, oh.

Mr. YOUNG (Saskatoon): I say a young man perfectly honest. He happened to be on a boat off that coast, a boat that he understood was engaged in legitimate trade. Outside the three mile limit at the point of a gun he was compelled to do something that he found very odious indeed. Under this section that man would be branded a criminal.

Mr. STEVENS: No.

Mr. YOUNG (Saskatoon): We must be careful in this legislation. I say again, there is no class of criminal that I detest more than

the smuggler. Last year the customs scandal occupied most of our time and attention, with the result that these amendments are so drastic that they may bring the whole law into disrepute. Surely we have had sufficient experience to know that when we make penalties too severe we defeat the object we have in view and weaken rather than strengthen the law. With respect to the insinuation of the hon. member for West Calgary (Mr. Bennett), I recall two cases of a similar nature, disagreeable cases, it is true, and one judge imposed a sentence of ten years and the other a sentence of six months. I have the highest regard for our judiciary, but when we hear of these marked variations in the penalties imposed for the same offence, we must be very careful that we ourselves are not responsible for enacting laws of such a drastic nature that they bring the whole law into contempt.

Mr. CANTLEY: I notice that in the third line of 216 the term "one league" is used. I presume the minister means three miles. This term is subject to misunderstanding, and as the words "three miles" are used almost everywhere throughout the act I suggest that this section be amended accordingly.

Mr. EULER: I have no objection at all.

Mr. VENIOT: I move, Mr. Chairman, that the words "one league" in the third line of 216 be changed to read "three miles."

Mr. CANTLEY: Three statute miles.

Mr. VENIOT: We had better be careful to distinguish between statute miles and marine miles.

Mr. CANTLEY: A statute mile is shorter than a marine mile, but I am not particular. The term "league" is out of date altogether.

Mr. VENIOT: I think we should make it read "three marine miles."

The CHAIRMAN: Clause 25 stands.

On Section 26—Keeping or selling, etc., goods unlawfully imported—forfeiture—burden of proof.

Mr. POWER: I think the opening lines:

> If any person, whether the owner or not, without lawful excuse, the proof of which shall be on the person accused,—

—are most objectionable. I do not know of any criminal act in which the accused is presumed to be guilty. A man charged with the most brutal murder is entitled to a fair trial, and the crown must adduce such evidence as will convince the jury that the accused is guilty. In this case a man who is on board a vessel which is liable to suspicion may be condemned—I suppose the conviction again is gaol for seven years—unless he can clearly show to two justices of the peace—who more often than not are uneducated and likely to be prejudiced—that he is not engaged in smuggling. As I have already stated, I think we are going altogether too far in these amendments. We are violating the very elementary rights of British subjects. I am surprised that my hon. friend from West Calgary (Mr. Bennett), who is one of the most staunch defenders of the rights of his fellow citizens, does not rise in his wrath and verbally smite the minister for daring to impose such penalties as are prescribed in this section. The very roots of individual liberty are being attacked, and I would suggest that the minister give careful consideration to this proposal before it passes into law.

Mr. EULER: This proposal is copied closely from the Customs Act in connection with an offence which it seems to me is milder than the one now under consideration. In that case it is provided that anyone who without lawful excuse, proof of which he himself shall establish, sends or brings into Canada or, being in this country, has in his possession any bill-heading or other paper or blank to be filled up and used as an invoice, shall be guilty of an indictable offence. That offence is not nearly so grave as the one under review.

Mr. CHAPLIN: That paper is used for purposes of fraud.

Mr. EULER: Yes.

Mr. ILSLEY: Will the minister mention an instance of lawful excuse?

Mr. EULER: I am not a legal man and I cannot interpret the law.

Mr. BENNETT: I am grateful to my hon friend (Mr. Power) for his observations as to my desire always to voice sentiments that favour the liberty of the subject. That however is not what we are discussing.

Mr. POWER: It is.

Mr. BENNETT: The hon. member has such a wide knowledge of everything that he reminds me of what was once said of Macaulay: "If I knew as much about anything as he pretends to know about everything I should indeed be wise". I hesitate to make the remark I am about to make. Is there a desire on the part of the House to render nugatory all the efforts the minister has made to put on the statute book an

effective law to prevent a recurrence of the conditions we had disclosed last year? Is that the object? If not, why make a joke of all this, as some hon. gentlemen seem to be doing? The truth is that in all jurisprudence, as my hon. friend from Quebec South so well knows, there are certain conditions which in themselves are regarded as prima facie evidence either of negligence or of guilt. For example, according to law of negligence, if a person travelling on a passenger train is injured, the very fact that the conveyance is one intended for passengers is prima facie evidence of negligence on the part of the company. We use the expression in law, res ipsa loquitur—the thing speaks for itself. So that in criminal cases where we have certain conditions which in themselves constitute an evidence of guilt, and therefore is prima facie proof of it, any person found in certain relationship to those conditions is presumed to be guilty of the offence involved. The onus of proving his innocence rests upon the person so found. In the particular section to which attention is called it will be observed that:

> If any person. . . . harbours, keeps, conceals, purchases, sells or exchanges any goods unlawfully imported into Canada—

—he must prove a lawful excuse. That is all. Take our laws relating to liquors. As my hon. friend from Quebec South knows, in Quebec, in Alberta and in Saskatchewan, under certain conditions, the onus of proving innocence rests upon the accused. Once a person is found in certain circumstances the onus is shifted and he must explain his position. This happens every day in respect of many matters I need not mention.

I shall not speak to-night on this question, but I desire to say this much before I conclude. I followed with a good deal of interest and some degree of effort all that was said last year with respect to the enforcement of the customs laws, and I learned then that men were perfectly willing to pay $1,000 at any time if they could get away with $5,000. They were quite prepared to pay $1,000 now and $1,000 again if by so doing they could gain $10,000, and this effort on the part of the minister and the government, by making the penalty so severe as to prevent a recurrence of what has so marked the administration of the customs laws of the country, must commend itself to hon. members. I do not say that severe penalties will cure evils of this kind, because they do not. But where you have a condition prevailing, a known condition such as that disclosed last year, and you find men flourishing as they do by gains ill-gotten from smuggling and from the importation of narcotics, it is time we made the penalties severe enough. Drastic penalties in such cases are found to operate as a powerful preventive. Let me give an illustration; take the case of whipping. Hon. gentlemen will recall that a certain class of criminal was perfectly content to suffer imprisonment for burglary, for housebreaking, for bank robbery and offences of that nature; but the moment you added the cat-'o-nine tails he became less eager to carry on his operations. The reason is psychological, as those will understand who have studied criminology. I remember reading some time ago an eminent criminologist's opinion in this regard. There is something in the psychology of this form of punishment so repulsive to the mentality of the burglar that he will not readily risk the possible infliction of the penalty, which therefore proves a strong deterrent. Here you have a type of man engaged in smuggling on a large scale; he is a professional, a member of an organized gang or clique which is trying not only to defraud the country of its revenues, but, as the hon. member for Frontenac-Addington has said, to work irreparable physical injury on our citizens. He traffics in narcotics and other drugs. I am not talking about the casual smuggler who brings across a bolt of silk; I am concerned with the class who are known to engage in a business which is a menace to the lives of people, as brought out before the royal commission now carrying on its investigations.

Mr. POULIOT: So that no one would risk the penalty, would the hon. gentleman be prepared to suggest the death sentence in this case?

Mr. BENNETT: Nothing could better accentuate the observations I made when I rose to my feet than the interruption of my hon. friend. There are under our criminal law three offences which may be punished by death; treason, murder and rape. The other day a judge imposed the penalty of death upon an accused convicted in Ontario of the last named offence and the Court of Criminal Appeal set aside that sentence. The point I make is this. The discretion as to what the penalty and the punishment shall be must always rest with the judiciary, but we have surrounded it with rights of appeal under which I venture to say there have been in this country very few instances of grave wrong done to any individual by reason of the severity of the punishment imposed. In addition to that there is the executive power which may always be set in motion for the purpose of relieving a convicted person from a penalty if

under the circumstances there is evidence to warrant such action.

I am not going to trespass further on the time of the committee. I do say to my fellow members of this House, some of whom were not here last year, that if they have read the evidence given before that committee last year, and if they have been following the evidence given before the royal commission, they must realize the extent and the enormity of the injury being done to Canada through the loss of revenue. Not only have we been injured in that way, but also through the idea which has been going abroad in this country that by violating the law men may create great fortunes for themselves, and by their ostentatious display of their ill-gotten gains create feelings of envy and dissatisfaction in the minds of the decent people of this country. I think hon. members will agree that the time has come when we should at once say, "You are beyond the pale of our civilization, and the resources of that civilization are not yet exhausted against its enemies," to quote the language of Mr. Gladstone. We are now dealing with one of the resources of civilization, which civilization is threatened by the perils and evils which I have indicated without going into detail.

I suppose it is not usual for one on this side of the House to support an opposing minister with such warmth, but I know from what I have read and from what I have seen that we are facing great danger from the continuance of this condition in Canada, and it has become imperative that this gang of swindlers and smugglers can no longer become the leading men in their communities, displaying their ill-gotten gains, their high powered cars, their beautiful residences, their silks, satins and jewels, and thus arousing the envy of the less fortunate but honest people. We should brand them as criminals not only with a fine, but we should send them to the gaols of the country, and then and not till then will the laws of this country be observed.

Mr. BROWN: I am quite willing to believe in the good faith of those hon. gentlemen who have made objections to this bill, and who plead that undue penalties will be imposed upon people who are morally innocent. At the same time, I am inclined to fear that if the demands for the emasculation of this bill are successful it will leave the department with nothing more than a popgun with which to fight this evil. I think the knowledge gained last year through the sittings of that committee brought to our notice a condition of things which we must face in a most determined manner. Personally I am disposed to agree very heartily with the provisions which have been incorporated in the bill; some small amendments may be necessary, but in the main I believe we must adopt desperate remedies to cure desperate diseases. It may be true that ignorant and illiterate justices of the peace, men not accustomed to dealing with the law, may occasionally visit undue punishment upon individuals, but at the same time we must take that into account in all our laws, and we cannot depart from a sound principle because exceptional cases of hardship may arise. We must expect that that will be the case, but we cannot make laws to deal with exceptional cases. I repeat, I am afraid that if the suggestions of many hon. members are carried too far we will have nothing left which will be effective in meeting the condition of affairs which confronts us. I know in dealing with this question with the electors last fall I emphasized the need of considerable drastic measures to meet the deplorable condition revealed by the customs inquiry last year.

Mr. POWER: I would quite agree with the last two speakers if the majority of the people of Canada were professional smugglers, but those who carry on smuggling on a commercial scale are in the minority. If the resources of civilization are not exhausted, as my hon. friend has well said, surely we can find some means to punish these commercial smugglers without treating the whole population of our country as smugglers.

Mr. BENNETT: They will not be affected at all.

Mr. POWER: I will go further. My friend says the resources of civilization are not exhausted. Why, then, does he go back to the days of barbarism to find heavy punishments to inflict upon the people of this country? Many years ago sheep stealing was punishable by hanging; did that prevent sheep stealing? I think not; I am quite sure that on the contrary it prevented hanging. We are imposing heavy penalties on the people of Canada for infractions of the tariff law, while a large portion of the people of this country and a fair proportion of the members of this House regard any tariff law as morally wrong. So you place them in the dilemma of either following the dictates of their own conscience or violating the laws of the land. I do not agree with many who, like the hon. member for Lisgar (Mr. Brown) may feel that the imposition of a tariff is morally wrong, but I do think consideration should be given to their views and that the penalties for carrying out what is after all no moral wrong to them should not be so heavy.

Mr. BROWN: Perhaps my hon. friend would ask the hon. member for Rosetown (Mr. Evans) whether the restrictions on the sale of liquor are morally wrong.

Mr. POWER: I am not at all interested in the views of the hon. member for Rosetown in regard to the restriction of the sale of liquor. I can quite sympathize with him if he feels that to a certain extent they are too drastic, but I do not wish to be brought into a controversy on that matter. I simply wish to point out to the minister that while for the time being he may have the sympathy of a majority in this House and perhaps of the majority of the people, he will find endless trouble in carrying out this act; time and again there will be brought to his attention cases of unfortunate people who have been unjustly condemned, and within a short time, in order to be workable, the act will have to be made far more lenient.

Mr. NEILL: May I ask the hon. gentleman a question? He stated this section was interfering with the liberty of the people; I do not agree with him, but the words are his. Does he not think that this is a case of sin following sin, of precedent piled upon precedent, since we made the fatal error the other day of interfering with free speech in this House?

Mr. POWER: Perhaps the hon. gentleman is right.

Mr. ILSLEY: I would like to go back to the question I asked a few minutes ago, to which I would like an answer. I know that some time ago some gentlemen from Montreal went to the province of Nova Scotia and sold several automobiles that had been smuggled into Canada although they produced prima face evidence that the duty had been paid. I believe the victims are getting back their cars upon payment of the duty, and I see that the section as it stood previously was as follows:

> If any person knowingly harbours, keeps, conceals purchases, sells or exchanges any goods unlawfully imported into Canada, whether such goods are dutiable or not, or whereon the duties lawfully payable have not been paid, such goods, if found, shall be seized and forfeited without power of remission, and, if such goods are not found, the person so offending shall forfeit the value thereof without power of remission.

That would appear to me as quite reasonable and proper, but I can quite understand that it may have been difficult in a great many instances to prove guilty knowledge on persons who had such goods in their possession. What I would like to know now is whether the proposed section makes any change in the law other than shifting the burden of proof. The new clause reads:

> If any person, whether the owner or not, without lawful excuse. . . . harbours, keeps conceals, purchases—

And so on. Does that mean:

> If any person, without knowing the goods to have been smuggled, harbours, keeps, conceals, purchases.

It is important that we know this. How can a person in whose possession are found smuggled goods, escape the penalty? How can he go into court and show that he has a lawful excuse? Supposing he says that he was furnished with some sort of entry paper, would it be said by the court that he should have looked into and satisfied himself as to the genuineness of it? Would that be a sufficient answer by the crown to the excuse which he was offering? That is an important matter in that connection. I understand this is a copy of another section, and it may be that it is ample protection to the person who is accused, but the uncertainty should be cleared up. With regard to the general question of penalties, it is very important that we should scrutinize them, because undoubtedly the imposition of penalties which are too severe will not serve the object of carrying out the act properly.

Mr. EULER: I regret very much that I could not hear all my hon. friend was saying. If I heard him correctly, what I did hear was that he was objecting to the fact that formerly the clause contained the word "knowingly," and that word is now being replaced by the words "without lawful excuse." If that is his objection, the answer to that is simply this: It is practically impossible in these cases to prove that a man knew and so to secure a conviction. Under this clause he is given the privilege of making a lawful excuse. Just what form that may take, I am not able to say. It may be given in various ways.

Mr. ILSLEY: Does the minister not think it is important to know that? There are men all over the country who may be proceeded against.

Mr. EULER: There is no doubt whatever that people were found unlawfully and knowingly in possession of smuggled goods, but it was impossible to show that they were knowingly in possession of those goods. We are now making it a little more difficult for those people to escape.

Mr. BOURASSA: In other words, I understand the object of the minister is to have the opportunity of reaching all the guilty

parties, but with no opportunity for innocent parties, if they cannot prove their innocence, to escape. This is enlarging a very dangerous principle. I have always understood that from the point of view of moral law, as well as practical legislation, we should rather run the risk of letting one guilty party escape than of unduly punishing an innocent party. That is the great danger of legislation of this nature. I quite realize the object of the minister. Undoubtedly there is great difficulty in coping with the evil that was brought to the attention of the House last session by the committee of inquiry, but at the same time we should not let ourselves be impressed too much by the findings of that committee and we should think more of the dangers which we may run by introducing legislation that will either be impossible of application or work undue injury to people who will not be in a position to prove their innocence and thus to escape the penalties as they are provided for in this legislation.

Everybody knows that amongst officials of any department and especially those which are charged with the imposition of penalties, there exists the practice of enabling officers of the law to partake of the advantages of pursuit. Therefore they develop the spirit of finding guilty parties even when they do not exist and of endeavouring by all means to have parties found guilty in regard to whose guilt there is a doubt. They do this in order to justify their activities, to further their advancement with their chief, and to bring revenue to themselves. This is fully as great a danger to public morality as the amount of smuggling that may be done more or less under the application of a milder law.

If we had such a principle of severe punishment and such principles of evidence in all our criminal law with regard to offences of a much more immoral nature than those which are provided for by this legislation, the policy would be a general one; but as the matter stands now, with the leniency that is shown to such a variety and quantity of criminals and swindlers, especially in the financial world, I do not think the conscience of the country will be prepared to sustain a law of this nature and to make it easy for the government to carry it out. I think with the various members who have expressed the same opinion that the minister had better consider this matter further before it is passed definitely.

Section agreed to.

Section 27 agreed to.

On section 28—Smuggling carrying offensive weapons.

Mr. POWER: I object to this clause which reads:

> Every one is guilty of an indictable offense and liable to imprisonment for ten years, who while carrying offensive weapons is found with any goods liable to seizure or forfeiture under this act or any law relating to the customs, knowing such goods to be so liable.

Any hon. member knows very well that a large number of people who travel carry revolvers.

Some hon. MEMBERS: No.

Mr. POWER: I know they do. Perhaps they do not need to do so in Nova Scotia where my vociferous friends come from; but a great number of people, when they are travelling abroad, let us say, carry revolvers. It is known to a considerable number of hon. members that people think very little of bringing in a few packages of cigarettes or, if they are ladies, of bringing in two or three pairs of silk stockings. If you have that combination, an offensive weapon, such as a small revolver, and a pair of silk stockings found in the handbag of a lady coming across the border, she is liable to ten years' imprisonment. I simply point that out to the committee.

Mr. EULER: I might say that this clause is copied bodily from the criminal code. There is nothing new in it at all.

Section agreed to.

On section 29—Vessel leaving without a clearance, etc.

Mr. McLEAN (Melfort): This deals with the case of a vessel departing from a port in Canada without a clearance, and other very serious crimes, but the master of the vessel incurs a penalty of only $400, unless the cargo comprises wines or spirituous liquors, when the penalty is $1,000. There is no talk of imprisonment in this case, I notice. It says:

> If any vessel departs from any port or place in Canada without a clearance, or if the master delivers a false content, or does not truly answer the questions demanded of him—

—only a small fine of $400 is imposed, but the chap caught with smuggled goods in his possession, possibly not for commercial use at all, is liable to a penalty of seven years imprisonment. The two things do not go well together.

Mr. EULER: Surely the hon. gentleman must know that a vessel departing from a port in Canada without a clearance is entirely

different from smuggling goods into the country. This is merely the case of a vessel departing without a clearance. It is not a very grave offence as compared with smuggling goods into the country.

Mr. McLEAN (Melfort): In the opinion of many who took part in the customs investigation last year, and in the opinion of many thousands in the country, the trouble in Canada in the last few years has arisen from the desire to make money illegally through smuggling goods out of the country, and incidentally smuggling other goods in on the return journey. I say that if it is wrong to do one thing it is wrong to do the other. It is certainly wrong to allow a vessel to smuggle goods out of the country. We should not allow this contrast to stand. A vessel engaged in illegal smuggling operations escapes with a fine of $400, but the poor individual caught with a few smuggled goods in his possession is liable to a long term of imprisonment. I do not think the Canadian people will approve of legislation of that kind or will be morally behind it.

Mr. VENIOT: It has stood for fifty years.

Mr. McLEAN (Melfort): That does not make it any better.

Mr. BENNETT: I think the penalty should be increased.

Mr. WOODSWORTH: I want to endorse what has been said by the hon. member for Melfort. It seems to me that these sections are in very, very great contrast. In one there is a very heavy fine and seven years' imprisonment imposed for a comparatively trivial offence, but in this case, where the social effects are very much more serious, there is imposed only a comparatively small fine, a fine that does not amount to anything in comparison with the value of the goods involved. If the hon. member for West Calgary found it necessary a little while ago to call upon this House to protect the country against vice, I do not see why he is silent at this time, because it seems to me we have essentially an evil here. I cannot see the distinction the minister is making between smuggling goods out of the country and smuggling goods into the country. If the minister was simply thinking in terms of a few little merchants who may be affected I could understand it but I do not think that is his calibre, and I would ask him to distinguish very clearly between these two classes of crime, the one smuggling goods out of the country, and the other smuggling goods in. I do not understand the distinction he draws.

[Mr. Euler.]

Mr. EULER: The fact that a vessel leaves a port without obtaining a clearance is not proof at all that she is smuggling goods out of the country. You cannot smuggle goods out of a country, so far as that is concerned. The mere fact that a vessel is leaving without a clearance may be an offence, but it is no proof of smuggling goods into any country, whereas when goods come into a country illegally, that is smuggling. There is a distinction; in the one case there is smuggling; in the other there is not necessarily smuggling.

Mr. WOODSWORTH: That is quite true, but some of us who have followed the revelations of what has been happening on the western coast, which have been given considerable publicity in all our papers, and especially those of us who are resident in the west and have some knowledge of what has been going on, know that vessels have deliberately left ports ostensibly for Mexico or some other distant point, and the next day have arrived back in port again for another cargo. That seems to be fairly good evidence that there is something very wrong in such a procedure. What is the good of punishing the little man, putting him in gaol because he may have smuggled a few dollars worth of goods into the country, and allowing the man who is making a fortune to go scot free? I do not think the minister has at all answered my question.

The CHAIRMAN: Is it the pleasure of the committee to adopt the section?

Mr. WOODSWORTH: I think, Mr. Chairman, we have the right to hear from the minister a better explanation than he has so far offered.

Mr. EULER: I regret very much that the hon. gentleman does not comprehend what I say.

Mr. WOODSWORTH: It may be due to my ignorance, but I listened to the minister and I cannot see that he has given a reason that will warrant us in passing a clause of this character. I think in view of the serious character of the smuggling that has gone on on the Pacific coast, we should have some further explanation of this clause.

Mr. EULER: If it is the wish of the committee I have no objection to making the penalty greater; not at all; it is merely a matter of degree. But I do not think that the fact of a vessel leaving port without obtaining clearance is nearly so great an offence as smuggling goods into the country.

Mr. STEVENS: Would my hon. friend permit me? Perhaps I can assist a little in this matter. There are two things involved; there is the clearance of the vessel, and then there is the violation, if any, of the law in regard to the cargo of the vessel. Both these things are dealt with in this act. One of them simply involves the obtaining of a clearance by the captain; the other is where the cargo is composed of liquor, and that is what this whole thing refers to. There is a bond put up by the owners of the liquor, who may not be the owners of the vessel at all. That bond is for double the value of the goods, and in order to secure the release of that bond the owners of the liquor must produce a landing certificate. The whole trouble on the Pacific coast, as well as on the Atlantic coast, as was disclosed both by the committee of last year and by the royal commission was that the owners of this liquor were suspected of giving false landing certificates, and in some cases that was fully demonstrated. That is the crime to which my hon. friend refers. That is the offence which ought to be penalized very heavily, and I understand that we have already passed a clause—the minister will correct me if I am wrong—which deals with that very question of the landing certificate.

Mr. HEAPS: What is the penalty?

Mr. STEVENS: I cannot say from memory. I think the privilege which had been granted by Canada is now practically wiped out.

Mr. EULER: That is the in transitu shipment of liquor.

Mr. STEVENS: Yes, it is now practically done away with. It grew up out of that practice. But the clearance of the vessel is a different thing altogether. Here is what really inspired—shall I say?—this amendment, particularly on the Atlantic coast; because on the Pacific coast it was carried on in a different way, on a larger scale altogether with larger boats. On the Atlantic coast there are smaller boats, fishing vessels and boats of that type that used to slip out of port without getting a proper clearance, and would then run to Rum Row or some other part of the coast. It is to deal with them that the penalty of $1,000 has been put in, in addition to the penalty of $400 which has been in the act for a long time. That fine is imposed on the owner of the vessel, the captain usually in the case of small vessels.

Another case in point was those vessels plying between St. Pierre-Miquelon, and Halifax. It was found that occasionally liquor would be smuggled, not by the vessel or the owners of it, but by parties engaging space in the vessel. This penalty is against the master or owner of the vessel for violating the law, so far as the clearance side of it is concerned. In addition to that there is the violation of the bonding privilege which carries with it an altogether separate penalty. I am not arguing the sufficiency of this. I am quite willing to support an increase of the penalty, but I am pointing out that there are two things involved, not merely one.

Mr. WOODSWORTH: I recognize that there are two things involved, but why should a vessel leave a port without clearance? I can see no reason, except that there might be some reason in the master's mind. If he wants to hide the character of his cargo he may well wish to leave without a clearance. It may be no very serious thing to pass the immigration border without reporting. It is a technical offence to go across without reporting, but there is the provision disqualifying the one who does it from passing freely on the other side if he is caught. It may be no very serious offence in itself to fail to disclose anything he should declare in regard to goods that he is bringing in, but I submit that if he fails to go through the form provided by the government in reference to the clearing of goods then he comes under the law. In this particular case it seems to me it is the bounden duty of every master to take a clearance, so that we are not going further than we did in the other case if we say that the failure to take a clearance ought to be considered prima facie evidence that there is something wrong; and if we went as far as we did in the other case we would place the burden of proof on the master of the vessel. I am not saying it is fair, but that is what we did in the other instance. Of course, compared with the advantage that may be gained by the party if he gets his cargo through, the fine of $1,000 is a mere bagatelle.

Mr. BROWN: In the evidence produced last year it was made clear that the traffic in liquor was at the bottom of the whole trouble. I do not think there can be any doubt of that.

Mr. STEVENS: Very largely.

Mr. BROWN: In view of that fact it seems to me we should impose a severe penalty in a case of this kind. I am not familiar with the methods by which the business is carried on, or with the distinction which has been drawn between the two matters referred to by the hon. member for Vancouver

Centre. It seems to me that even with this provision it would be quite possible for a man who wanted to leave with a cargo of liquor to do so, and considering the amount of the fine he might very well be tempted to do so and refuse to obtain clearance papers, apart altogether from the question of bonding. It would still be possible for a man to leave our shores with a cargo of illegal liquor, even with a fine of $1,000.

An hon. MEMBER: Make it $2,000.

Mr. BROWN: Yes, any amount.

Mr. McGIBBON: Suppose the boat had a collision in port and got out in order to avoid a fine, do you think the owner should pay $1,000?

Mr. BROWN: You can rake up all kinds of exceptional cases, but we cannot give consideration to those. The penalty is not adequate and it should be adequate.

Mr. VENIOT: What part of the section does my hon. friend refer to when he says the penalty is not adequate?

Mr. BROWN: If the vessel has a cargo of spirituous liquor.

Mr. VENIOT: I move that it be amended and that the amount be fixed at $2,000.

Mr. BROWN: Make it $5,000, if you like.

Some hon. MEMBERS: Carried.

Mr. McLEAN (Melfort): The first part of the clause is more important than the second part. The first part deals with the vessel leaving port without a clearance. Not long ago such an act would be taken as prima facie evidence of piracy and a vessel leaving without a clearance would have to pay the penalty.

Mr. STEVENS: That applies not merely to vessels that might be suspected of smuggling liquor, but to any vessels. It must be remembered that, in the matter of clearances the Customs department has control, although to my mind it would be better if the granting of clearances were under some other department. In the case of small local vessels going out every few days, the master gets careless and does not report and the idea in imposing a $400 fine in the first part of the clause is simply to discipline the vessel. The latter part of the clause would apply to that class whom we suspect of practising smuggling as a business—illegal operation. There is that distinction. It is an anomaly which should not exist in this act, but it has been there from time immemorial.

[Mr. Brown.]

Mr. McLEAN (Melfort): There is a difference between the two classes of shipping, and I suggest that this section be held over and reframed. The language is not sufficient. With reference to vessels leaving port without a clearance, there is the further offence of delivering a report of false content, and you are going to let the offender get away with a fine of $400.

Mr. EULER: That has been the law for thirty years.

Mr. McLEAN (Melfort): Conditions and times have changed in the last thirty years. Thirty years ago there were no motor cars on the road, no radio, no commercial smuggling between the two countries and no reason for it, and to say that it was in the law twenty or thirty years ago is no reason why it should not be changed now to meet present conditions.

Mr. CANTLEY: I would suggest to the minister that it might be advisable to withdraw the section at the moment. I have reference to the last two lines—

> And the vessel shall be detained in any port in Canada until the said penalty is paid.

How can she be detained after the owner, has committed the offence and the vessel has sailed away?

Mr. VENIOT: It seems to me the point in regard to the clearing of vessels is not well understood. It does not apply to a vessel leaving Canada. It applies to the coastwise trade, vessels going from one port to another, and this committee does not want to impose extreme penalty on vessels doing a coastwise trade. If hon. members understood what this means to the shipping trade they would consider that this section was sufficient to meet the case. It is simply disciplinary. This very act has been in force since 1896, and in my experience in administering the customs laws of this country I have made many detentions where the captains neglected to clear their vessels in the coastwise trade, or even vessels clearing from one port in Canada with a part cargo to another port and leaving without a clearance. In those cases we have to detect them when they reach the other port in Canada before they finally go to sea. So really the penalty in the first part of this clause should not be increased; but where a vessel has liquor on board and the captain makes a false declaration to the collector of customs, he is guilty of perjury, for which the penalty should be severe. If the act is not enforced there will be all kinds of abuses,

specially in the coastwise trade, and the customs authorities will lose control of those vessels.

Mr. McLEAN (Melfort): I appreciate what the Postmaster General says about the difficulty of routine clearances, but this to my mind is a further reason why the clause should be redrafted.

Mr. VENIOT: We have had it for many years without any mistakes occurring.

Mr. McLEAN (Melfort): Then why change it?

Mr. STEVENS: Only where the cargo is composed of liquor is there any change.

Mr. McLEAN (Melfort): Everyone who has lived on the seacoast knows that vessels have to have routine clearances, but I do not think any argument adduced so far should convince the committee that the section should be passed. I ask that it be held over.

Mr. WOODSWORTH: Does the minister consider that a fine of four hundred dollars is an adequate penalty for a master who "delivers a false content, or does not truly answer the questions demanded of him"?

Mr. EULER: That is not the only penalty imposed. Clause 254 of the Customs Act reads as follows:

> Every person who forges, counterfeits falsifies, or uses when so forged, counterfeited or falsified, any paper or document required under this act, or for any purpose therein mentioned, whether written, printed or otherwise, or by any false statement procures such document, knowing the same to be forged, counterfeited or falsified, or forges, counterfeits or falsifies any certificate relating to any oath or declaration or affirmation by this act required or authorized, is guilty of an indictable offence.

Mr. WOODSWORTH: Under which clause would the department act?

Mr. VENIOT: Both.

The CHAIRMAN: Shall the amendment moved by the Postmaster General, that the word "one" in the twentieth line be struck out and the word "two" substituted, carry?

Mr. NEILL: Before the section passes I want to call attention to a phase which has not been mentioned to-night, and which I think is wrong. I know I will be told that it is nothing new, but I do not know that age particularly lends authority to an absurdity. The section reads that the master of any vessel who having received a clearance—perhaps he has liquor on board and has a legal clearance—goes out and takes in tow another vessel or performs any work without having mentioned in the report outwards his intention so to do, he is liable to a penalty of two thousand dollars. That is, he is supposed before he goes out to state that it is his intention to take a vessel in tow. He sees a small steamer or a gasoline boat in distress, takes it in tow, and for that act of humanity he is liable to a penalty of two thousand dollars or four hundred dollars.

Mr. STEVENS: No.

Mr. NEILL: I suppose someone will say that that penalty would never be enforced, but I think the member for Vancouver Centre (Mr. Stevens) will bear me out when I say that not long ago a Canadian boat going down the coast with liquor and away outside the legal limit of American control took a dozen or so men off a vessel in distress, and ran into the nearest port to land them, which of course brought her into American waters. Thereupon the master and crew were put in gaol for having liquor on board in American territorial waters. Here is a situation somewhat similar. Unless the captain knows beforehand that he is going to encounter rough weather, and to go to the rescue of a boat in distress he is liable to a penalty of two thousand dollars, simply for exercising the ordinary humanity of seamen. Would it not be possible to adjust that absurdity, or at least for the minister to give me an explanation?

Mr. EULER: The section applies only within the three mile limit in Canadian waters. We have no jurisdiction beyond.

Mr. STEVENS: My hon. friend will understand that this section would not apply in the case of a vessel helping another in distress. Here is the point in the tow. A tug might get its clearance for, say, Vancouver to Nanaimo and pick up a scowload of liquor. If the captain gets a clearance for the purpose of taking a tow, he is bound to so state. If, however, he wants to evade the excise law by taking in tow a cargo of liquor on a scow out in the gulf in order to land it further down the coast, he comes clearly within the act. My good friend from Antigonish-Guysborough (Mr. Duff) is better versed in this than I am, but I think he will assure the hon. member that where a vessel picks up another in distress the Canada Shipping Act will amply cover the case.

Mr. NEILL: Would it not be easy to insert "except in case of distress"?

Mr. STEVENS: Yes, but I do not think it necessary.

Mr. NEILL: We have rough water and boats in distress within the three mile limit.

Mr. ROSS (Moose Jaw): In a case of this kind on whom is to be the burden of proof that the vessel was in distress?

Mr. QUINN: I should like the Minister of Customs to declare whether the three mile limit means three nautical miles or three land miles. I ask the question for the benefit of the present member for Antigonish-Guysborough.

Some hon. MEMBERS: Oh, oh.

Mr. EULER: Three marine miles.

Mr. QUINN: Understand that?

Mr. DUFF: It looks to me as if you are within the three miles yourself to-night.

Amendment agreed to.

Section as amended agreed to.

On Section 30—Contravention generally—forfeiture.

Mr. YOUNG (Weyburn): Mr. Chairman, I understand that if a man smuggles goods into this country in an old secondhand Ford car he is liable to lose his car, but if he uses a high powered Studebaker—which the rum runner generally does—he is not liable to have his car forfeited. Is that correct?

Mr. EULER: I am informed that that is not correct. I do not know on what the inference is based.

Mr. YOUNG (Weyburn): It is quite plain:

All goods shipped or unshipped, imported or exported, carried or conveyed, contrary to this act or to any regulation made by the Governor in Council, and all goods or vehicles, and all vessels under the value of four hundred dollars, with regard to which the requirements of this act or any such regulation have not been complied with, shall be forfeited and may be seized.

Then follows the next section.

Mr. McLEAN (Melfort): The argument of my hon. friend from Weyburn is reasonable. A man smuggling goods in a vessel valued at $400 is liable to have his whole cargo seized. But a high powered car comes along—

Mr. STEWART (Leeds): A car is not a vessel.

Mr. McLEAN (Melfort): The section provides that all goods shipped or unshipped, imported or exported, and all goods or vehicles and all vessels under the value of $400, shall be seized.

Mr. STEWART (Leeds): The comma comes after vehicles. The "value of $400" applies to the vessels.

[Mr. Neill.]

Mr. McLEAN (Melfort): It seems to me that if you forfeit the whole thing in one case you ought to forfeit all in the other.

Section agreed to.

On section 31—If vessel is of value of $400 master liable to penalty of $400.

Mr. McLEAN (Melfort): The minister may be glad to have his attention drawn to the fact that he may seize the vessel and exact its full value under this section.

Mr. EULER: We may seize the vessel now under another clause.

Mr. STEVENS: Only three words are being changed in this section. This is tried legislation which has been in use for years.

Section agreed to.

On section 32—Contravention of act in other respects.

Mr. YOUNG (Weyburn): This section should stand over. There may be minor offences for which a man might be sent to gaol under this section and I do not think we should dispose of it without further consideration.

Mr. EULER: It is the same clause as in the Excise Act.

Section agreed to.

On section 33—Bribes.

Mr. POWER: The officer who accepts the bribe gets five years; the poor fellow who smuggles $200 worth of goods gets seven years. I just want to point that out.

Mr. GUERIN: We should not necessarily impose imprisonment. That should be left to the discretion of the judge. In some cases men have been sent to gaol without the option of a fine when in my opinion it should have been left to the judgment of the court to decide upon an alternative. It might be a serious thing to impose the penalty of imprisonment without the option of a fine.

Section agreed to.

Sections 34 to 36 inclusive agreed to.

On section 37—Counsel fee.

Mr. McLEAN (Melfort): What is the explanation of this section?

Mr. EULER: The explanation is given on the opposite page.

Mr. ROSS (Moose Jaw): The section provides for "a reasonable counsel fee in the discretion of the court." Why enact that there shall be any counsel fee?

Mr. POWER: Would this "reasonable counsel fee" be $200 a day plus $20 a day expenses, as in the case of the customs inquiry? Would that be a reasonable fee?

Mr. EULER: It is left to the discretion of the court.

Section agreed to.

On section 38—Minimum penalty.

Mr. POWER: If there is one section worse than another in this bill it is section 38. I shall not discuss subsection 1 for the moment, but subsection 2 reads:

> Notwithstanding the provisions of the Criminal Code or any other statute or law, the court, in a case of the conviction of any person charged with an indictable offence under this act, shall have no power to suspend sentences.

The reason as given in the explanation is that the proposal is intended to meet the situation which has arisen in prosecutions for indictable offences, where the accused has been committed for trial and the prosecution is conducted by the local crown attorney, who is not under the control of this department; the accused, having been found guilty, has been allowed his liberty on suspended sentence, contrary to the opinion and desire of the department. The judge hears the case, knows all its circumstances and, has had the accused before him. He is appointed by the highest authorities to administer the law and to give justice to all the citizens of this country and may decide in his wisdom that sentence may be suspended. Because of that fact and because an official located in the department at Ottawa, who knows nothing of the case and nothing of the circumstances surrounding it, thinks the judge should have imposed a heavy sentence, we are to change the whole system of law enforcement in this country; we are to take away from properly appointed judges the right to exercise mercy and suspend sentence. If there is anything more ridiculous I cannot find it on the statute books of this country, and I wish again to call the attention of the minister to the situation that will be created. Let us suppose that a man endeavours to cross the international border with half a dozen packages of cigarettes in his pocket or, as I said before, three or four pairs of silk stockings, he gets into an argument with the customs official and during the argument shoots and kills him. For the crime of smuggling the onus of proof is upon him; he must go to gaol; the judge cannot suspend sentence upon him, and he has all the forces of the law arrayed against him. For the crime of murder, for taking the life of his fellow man, he has first of all a preliminary investigation, during which he is given every chance. Then he goes before the grand jury, where a true bill must be found against him; from there he goes before a petty jury, where he must be declared guilty by his peers. In addition to that he has the opportunity of appeal, and he is not obliged to go into the witness box to give evidence on his own behalf. Under this law in every case in which the onus of proof is against him he must necessarily go into the witness box and give evidence and be at the mercy of the crown attorney, who may cross-examine him and rake up all the details of his past life. I think the condition would be intolerable. Under conditions such as these we will have police surveillance to an extent unknown in any of the countries of Europe. We have always boasted of the freedom of the individual, and I do not think this is the time to take away that freedom.

Mr. EULER: Since this clause has some relation to the other clauses which were disputed, I would suggest that it stand together with the others.

Section stands.

On section 39—Distribution of proceeds.

Mr. WOODSWORTH: I would like to ask first of all as to the present practice in regard to this matter?

Mr. EULER: The practice at present followed is that informers receive rewards only where there are actual proceeds resulting from the seizure or sale of goods seized. Very frequently goods are destroyed as for instance in the seizure of liquors; these goods may be entirely destroyed, and there will be no proceeds from the seizure. In cases of that kind the informer does his work but receives no reward whatever. That is unfair, and this change is intended to correct that.

Mr. YOUNG (Weyburn): I do not like that clause at all; it is outrageous. Every man who informs and gets someone else arrested and fined will be given a part of the fine.

Mr. EULER: A part of the seizure, but not of the fine.

Mr. YOUNG (Weyburn): You are going to reward him for finding some one else guilty.

Mr. BOURASSA: The minister says the reward does not come out of the fine, but the section says:

Prescribing the manner in which the proceeds of penalties and forfeitures shall be distributed—

The word "penalties" covers a fine, surely.

Mr. EULER: No.

Mr. STEVENS: It may mean the double duty.

Mr. ERNST: In connection with the distribution of proceeds there is a matter I would like to bring to the attention of the minister; it does not fall entirely within this section, but perhaps it is covered more completely here than in any other section. In the case of an indictable offence a preliminary investigation is first held, and then the charge is laid or an indictment is preferred against the individual. In some instances men are kept in gaol for perhaps months before their case is heard, and during the time they are in gaol the expense of keeping them must be borne by the municipality in which they happen to be arrested, I have in mind one particular case which occurred in the county of Lunenburg some time ago; a vessel called the Ellice B was seized and five men were kept in gaol four or five months at the expense of the county. These cases are not exceptional; they are becoming more frequent every year, and it seems to me some provision should be made for the payment of a portion of the fines to the municipalities, at least in cases of indictable offences where a fine is also imposed. If witnesses are subpoenaed their fees must be paid by the municipality; the crown attorney is paid by the provincial government and the federal government which initiates the charge pays nothing except the fee of the special counsel who may be engaged. I would very much appreciate some expression in this connection from the minister.

Mr. HEAPS: I would like to have some statement from the minister as to the meaning of the word "informer." Certain facts have come to my notice lately in this connection, and I would like the minister to tell me exactly what is meant.

Mr. EULER: The informer is the man upon whose information a conviction is secured or a seizure made.

Mr. HEAPS: Is the informer an official of the government, or may he be anyone at all?

Mr. EULER: Anyone.

[Mr. E. J, Young.]

Mr. HEAPS: It seems to me that that is rather a vicious principle to adopt even in enforcing the customs laws of this country; it makes everyone a possible informer against his neighbour and I think a practice of that kind should not be recognized. I would far rather let the department have a larger preventive service of its own than to depend on outside information to secure convictions. A certain case came to my notice within the last few weeks of a person who was an informer; he did certain work for the preventive force of the Customs department. The same individual happens to be in gaol for doing the work of the Customs department. I have not much sympathy for that particular individual, but at the same time I do not think the government ought to put themselves into a position where their own informers are sent to gaol because they are doing the secret work of the government. Would it not be possible to cut out altogether this particular clause, so that if any information is required the officials of the department can go out themselves and secure it; that no rewards be given to informers but that proper wages be given to departmental officials?

Mr. EULER: It is a long established practice that rewards must be given if you are going to obtain information which will convict smugglers. It is perhaps offensive to most of us that men should be spying upon their fellowmen and so on, but it seems to be the only way in which you can obtain the necessary information in order to cope with the evil. The customs officials themselves cannot be informers and we have to depend upon others to supply us with information in connection with smuggling. Any seizures that are made or convictions that are obtained bring to the informer a certain reward. I admit at once the profession is not a particularly pleasant one, but it seems to be necessary in order to enable us to carry out the law properly.

Mr. HEAPS: Has the minister any information to give to the committee as to how this works out in actual practice?

Mr. EULER: I can merely say in a general way that it is found fairly successful.

Mr. VENIOT: If you do not do that you have to have an organized secret service which would cost the country a good deal of money.

Mr. ERNST: Can the minister give me an answer to the question I asked with reference to the policy of his department as to allowing municipalities, which are responsible

for keeping the peace and have to bear a large share of the expenses in connection with these prosecutions, to obtain some portion of the proceeds from the fines?

Mr. EULER: I regret very much that I cannot give my hon. friend a definite reply except to say I am informed that I have no jurisdiction in the matter.

Mr. McLEAN (Melfort): I would like an explanation from the minister of a couple of lines in paragraph (n) which reads:

Prescribing the manner in which the proceeds of penalties and forfeitures shall be distributed—

The new part reads:

—and providing for payment to informers forthwith after seizure of an award based upon the value of the goods seized and not dependent upon forfeiture or proceeds of forfeiture.

I agree that the minister must have efficient help in order to enforce the law, but I do not understand the wisdom of giving informers payments based upon the value of goods seized forthwith after seizure, and not dependent upon whether those goods have been forfeited or not. If informers are going to be rewarded for simply going out and seizing, they will continue to do that and the department will get into serious trouble. If, as is quite possible, this depends upon seizure and conviction, I would suggest that the words "and conviction" be added after the word "seizure" in order to make this paragraph plain.

Mr. STEVENS: I may interject here that this was one of the very difficult problems with which we were faced last year. The sentiment expressed by the hon. member for North Winnipeg (Mr. Heaps) was, I think, entertained by every member of the committee on the first approach of this problem, but we examined with care the officers of the department and this question was carried along for some weeks. The final decision was expressed in this clause in the report:

The committee recommends that the regulation governing the distribution of proceeds of fines and forfeitures be revised and that more liberal treatment be accorded informers and seizing officers.

The point referred to in this clause arose out of the situation. Very frequently as a result of information a seizure is made that is of distinct value to the country. I could cite many and illustrate some striking ones. Then for some reason or another the seizure is not immediately wound up, or a case may occur where the goods are of such a character that they are destroyed. For instance, let us take one of the most difficult things that the country is facing and has faced for years—narcotic drugs. If a seizure is made of narcotic drugs of considerable value, such seizure perhaps entailing on the part of the informer the greatest risk of any class of his work, those goods are destroyed; there is no return from them. The goods cannot be sold and a moiety given to the informer. Therefore this provides that in a case of that character the department, or the government, or the country, will pay to the informer a moiety proportionate to the value of those goods had they been sold instead of being destroyed, although it is distinctly in the interests of the country that the goods be destroyed. That is the reason for this amendment. I may add, as I said in my opening remarks, that I agree with all those who have a dislike for moieties to informers, or stool pigeons, or whatever you like to call them. All my life I have had an abhorrence of this practice. On the other hand there are many, I was going to say very respectable individuals who act as informers although there are many who are certainly far from respectable.

Mr. HEAPS: Do those people who are respectable do the work for the benefits that accrue from it?

Mr. STEVENS: Yes, some of them make a profession of it.

Mr. VENIOT: Just as a detective does.

Mr. STEVENS: They are practically private detectives, if you like. I am not saying that it is a profession one would glorify at all, but it is one of those lines of business that is followed and that is seemingly very necessary in order properly to detect crime.

Mr. McLEAN (Melfort): I have no objection to the informer being rewarded for his services, but what I object to and what I would like to get the minister to explain is the part of the paragraph which reads:

And providing for payment to informers forthwith after seizure of an award based upon the value of the goods seized.

I appreciate the hon. member's explanation as far as it has gone in regard to goods that are destroyed. It is in the interests of the country that such goods should be destroyed; they cannot be sold. But if this is left as it is and the words "and conviction" are not added after the word "seizure", it is going to lead to criminals getting together, one of them acting as informer for the Customs department, another coming along with the goods and having them seized, his partner being rewarded and he himself appealing to the court and getting the goods released. This

clause like many others in the bill is not worded so that the ordinary layman can understand what it means.

Mr. VENIOT: Does my hon. friend know that section 286 of the act gives the governor in council power to make regulations? This is not a statutory amendment; it is the power to make regulations to cover such cases.

Mr. McLEAN (Melfort): The copy of the bill which I have reads:

Paragraph (n) of section 286 of the said act is repealed, and the following is substituted therefor.

Mr. STEVENS: I have a copy of the act, and section 286 reads:

The Governor in Council may, from time to time, and in the manner hereinafter provided, in addition to the other purposes and matters in this act mentioned, make regulations for or relating to the following purposes and matters.

Mr. McLEAN (Melfort): Is there anything unreasonable in adding after the word "seizure" the words "and conviction"?

Mr. EULER: It still remains in the discretion of the government to make such regulations as it sees fit to deal with the situation.

Mr. McLEAN (Melfort): This is giving them power without a conviction having been registered.

Mr. VENIOT: It gives them power, but it does not make it obligatory upon them to do so.

Mr. McLEAN (Melfort): What is the objection to adding the words "and conviction"?

Mr. STEVENS: There are lots of seizures and forfeitures without convictions; that is the trouble.

Mr. BOURASSA: With regard to the new and respectable class of civil servants which the acting minister of customs—

Mr. STEVENS: That is not the language that I used.

Mr. BOURASSA: The acting minister spoke of somewhat respectable informers. In view of his experience with the operation of the law, which apparently will be confided to his care, I think it would be well for him to organize that service, because, after all, what with those informers who are respectable, those who are not respectable, and those who are ordinary criminals and are going to partake with respectable criminals in some of the receipts of the Customs department, we should go a step further, I suppose, and have them classified by the Civil Service Commission. Those of them who are respectable, since the government and the laws of the land are going to encourage this kind of administration, should be put on the regular civil service list and a part of their proceeds should go to the pension fund, so that we might create in the land that kind of coöperation in the public service. Since it is found that the police force of the Customs department is not capable of dealing with the law and enforcing the penalties, since it is found that the ordinary principles of law as applied from time immemorial are not sufficient for the trial of individuals violating this law, since we are creating this new legislation for the correction of this enormous crime of smuggling, I would suggest that we make this new form of civil service an effective one.

Sir EUGENE FISET: Get a classification by the commission.

Mr. BOURASSA: Yes, and ratings and all that sort of thing which the Civil Service Commission does. That might help to stimulate the ordinary service of this department which is found to be totally ineffective for the application of the law. Really, seriously speaking, Mr. Chairman, I think it is most shameful that in a public law it should be declared that we offer a reward to one of the most contemptible and despicable classes of people. It may be necessary in war for generals to make use of spies. They may be obliged at times to bribe individuals belonging to the other army to get information; but I have never heard that it was considered that the spying process with which war is accompanied is acknowledged by law and rewarded by law, and of parliament voting the money. As far as I am concerned this whole clause is revolting to every sense of decency. It is all very well to pass laws to please a certain number of merchants in Montreal, Toronto, and elsewhere, to help them against the small smugglers, though we have been helping them for years past in the kind of smuggling they are carrying on themselves by false entries given to the regular officers of the customs service, as has been done from time immemorial, in Montreal at least, that I know of. It is all very well to pass extraordinary laws, drastic laws, immoral laws to help a small and powerful class of people who were evidently able to impose their will upon the last government and upon the present branch office of the Tory government; but at the same time as a Canadian and as a liberal-minded representative of the people I protest against such kind of legislation.

Mr. STEVENS: It is most interesting to hear the protest of my hon. friend with that facility of language he has for clothing his

insinuations, but I would like to remind the House and the committee that this law that he talks about has been on the statute books for a great many years: indeed, it was originated and passed when he was a younger member of this House by the government of which he was then a supporter. I am discussing this subject as a member of the House, and I intend to exercise my right to discuss legislation without asking the hon. gentleman's permission to do so. I am taking this amendment as an amendment to an act that has been in force for a great many years. I took the opportunity of saying a moment ago to the committee that this whole subject, which is repugnant, I will admit, to practically all of us, was analyzed and discussed by the committee. We did the best we could to find some other solution for this method of detecting crime, but no other solution presented itself than the one that is presented here. It has been in the law since 61 Victoria, 62 and 63 Victoria, and 3 Edward VII. This amendment is merely adding a very few words. It is not introducing any new principle: it is no new departure from the law at all. It merely provides that where the goods seized produce no return, the informer in that case shall receive a moiety equal to the value of the goods or to the portion of the goods which would have come to him had they been sold.

There is not much occasion at this stage of the game to heap abuse either upon the minister or upon myself or others who may support his efforts to meet a very difficult situation. Let me add this. The whole country realized when the hon. gentleman took office as Minister of Customs that he was undertaking a very, very serious task. I wrote him a letter which he has on his file, when I left the office, tendering to him then my coöperation in making this department effective and efficient. Not only that, but I have offered him my coöperation across the floor of this House, and I think it ill behooves my hon. friend from Labelle to throw a few cheap slights at me because I am tendering to the minister the benefit of what little experience I may have had in this matter and what little support I can give him in getting this very difficult legislation through. No minister has as heavy a task as the Minister of National Revenue. His department has grown into an enormous one. A few years ago it was only the Customs department. What has he got to-day? Customs, all of the excise, which was a separate department when I came into this House, all of the sales tax, the income tax, and all the stamp taxes. He has more responsibility and a greater burden upon his shoulders than any other minister. In addition to that, because of circumstances which we will not analyze now, he found when he entered the department that it had, according to a report of a committee of this House, largely broken down. Without now making any recriminations as to why it broke down, the fact is there, and the minister is now trying to lift this department into some efficient state of organization. I am here to help him; I will give him my help to the best of my ability, and no clever, cheap quips on the part of my hon. friend from Labelle will intimidate me. I am not the Minister of Customs; I was for a short time, and I will give to the Minister of Customs the benefit of whatever experience and knowledge I have of this very, very difficult and perplexing problem.

Mr. BOURASSA: The hon. gentleman is quite mistaken if he thinks I want to have any cheap quips at his expense. On the contrary, I congratulate him that he still governs the Department of Customs, and that he has found a very devoted deputy and supporter in the present instance.

Mr. STEVENS: My hon. friend is not sincere in that, and he knows it.

Mr. BOURASSA: I am not criticising at all the efforts that are being made to improve the administration of this department. The efforts that are being made to correct the administration of the department meet with the hearty coöperation of hon. gentlemen opposite. I have no objection to that either. I am simply saying that some of the provisions in this bill have been evidently worded and introduced with the desire to respond at any cost to the feeling that smuggling is the worst and the most abominable offence that can be committed, and also to please the interests of a certain class of people; and under that feeling we are simply forgetting some of the basic principles of legislation and public morality. That is my contention.

With regard to this very section, the hon. member says it is a mere repetition of the previous law. I think that is a false position, because on the opposite page, paragraph (n), we find the law as it stood:

(n) Prescribing the manner in which the proceeds of penalties and forfeitures shall be distributed.

That was the law.

Mr. STEVENS: And is the law to-day.

Mr. BOURASSA: Plus exactly what I denounced, what did not exist before.

Mr. STEVENS: No, my hon. friend is wrong.

Mr. BOURASSA: I beg your pardon. The text goes on:

The words underlined in the new paragraph are added.

And these words are:

—and providing for payment to informers forthwith after seizure on an award based upon the value of the goods seized and not dependent upon forfeiture or proceeds of forfeiture.

So that the new words being added now are the official recognition of those informers.

Mr. STEVENS: Not at all.

Mr. BOURASSA: Of course they are.

Mr. STEVENS: The principle of paying informers is in the act now and has been there for thirty years.

Mr. BOURASSA: I am not discussing that.

Mr. STEVENS: That is the whole point.

Mr. BOURASSA: I quite admit—we are forced to admit—that in certain operations of government and in the application of laws, ministers are bound at times to resort to certain processes which are repugnant. I compared the fact that informers were being used with the fact that at times spies have been used. But I objected to having informers brought into the law as regular servants of the government and paid by the government out of public funds.

Mr. STEVENS: They are used no more now than they were formerly.

Mr. BOURASSA: Yes, I beg pardon. In former times the minister could make use of them and pay them, but there was not an acknowledged system in the law of employment of informers, emphasized by the declaration of the minister that in all cases his officials accept information from anybody, from that class of respectable informers of whom the hon. member for Vancouver Centre has spoken, as well as from any scalawag or any criminal, who will now be placed in a position to exercise vengeance or blackmail most powerfully and will be able to place the whole burden of proof upon his victim. The judge will have no discretion in the matter and will have to take the evidence as it is made by the informer—respectable or non-respectable, criminal or otherwise, perjurer, perhaps, who will be the paid agent of the government of Canada, who will be offered a recompense by the government of Canada, and the judge will have to convict the victim who may be more innocent than the paid agent of the government acting under this law.

Mr. STEVENS: Which has been in the law and has been the practice for thirty years.

Mr. BOURASSA: Then we are in the face of a falsification; because the text of the law simply states that the minister may pass regulation to direct how the proceeds of the siezure will be distributed; but unless this is a falsification the informers were not acknowledged in the law and were not paid by the law. It was a discretionary power in the hands of the government to distribute the proceeds of the seizure as it is worded here:

Prescribing the manner in which the proceeds of penalties and forfeitures shall be distributed.

In other words it was a discretionary power exercised under a law far less rigid than the present provision and far less drastic.

Mr. STEVENS: No.

Mr. BOURASSA: I beg pardon.

Mr. STEVENS: My hon. friend will not argue that the adding of these words, which merely provide that in case the goods forfeited are not sold they can be provided for in the way prescribed here, is giving any more power in the distribution of moieties than is in the original act.

Mr. McMILLAN: Why add them?

Mr. STEVENS: For the very reason that in some cases goods are not realized upon, and this is to provide that in such cases the moiety may be paid.

Mr. BOURASSA: Under the text of the law as it stood there was no legal recognition of the services of the informer.

Mr. STEVENS: Yes, there was.

Mr. BOURASSA: There was discretionary power given to the minister to distribute the proceeds of the seizure, and under that discretionary power his officials could reward the informer, but that was all. If the discretionary power given is all that is being asked for, why add these words? However, in a sense it is better to have it that way; because that shows the spirit of this new law, to be carried on against all principles of legislation and administration as applied in civilized countries.

Mr. EVANS: I would like to endorse what my hon. friend from Labelle (Mr. Bourassa) has said. This section is revolting in the extreme. To my mind the whole thing is revolting. We have been trying to-night to legislate for the administration of an act that is an evil in itself. In common with my hon.

friend from Lisgar (Mr. Brown) I do not mind saying frankly to this House that I have always taken the stand that protection is not only economically wrong, but that it is morally wrong. In this bill to-night we have differentiated between one evil and another. The man who brings goods into this country is liable under this measure to fine and imprisonment and his goods are liable to seizure. When the people defy the law by exercising what should be the inalienable right of citizens to buy and sell where they please, the utmost penalty is incurred. But when a cargo of liquor is sent out from a port without the captain securing a proper clearance, what is the penalty? We send that liquor out to demoralize the citizens and defy the laws of a friendly country, and we impose a $1,000 fine upon the offender, which to him is not more than ten cents to the ordinary man. The whole thing is immoral, the law is immoral. The act we are putting through to-night is an indictment against the nation. This very section is nothing more than the crowning act of an evil law, and is revolting in the extreme.

Mr. WOODSWORTH: I should like to test the feeling of the House. It seems to me that this particular practice is abhorrent to the good sense of all the members who have spoken on the section. I do not believe we are justified in encouraging other people to do what we ourselves would refuse to do. Let me quote the explanatory note:

> Informers, particularly with regard to offences against the liquor laws, take great risks of property and even life, and it is believed that if prompt awards could be paid as provided by this amendment the receiving of information would be facilitated.

This simply means that if we put up a larger reward we encourage those unfortunate individuals to take greater "risks of property and even life." In my own city a few years ago the police magistrate refused to take the evidence of informers, and their use was finally abandoned because it was found to encourage men who were essentially criminal in character. Therefore I move:

> That all the words after the word "repealed" in the nineteenth line to the word "forfeiture" in the twenty-sixth line be struck out.

It simply means deleting paragraph (n).

Mr. RALSTON: In reply to the remarks made by the hon. member for Labelle, I do not think any new principle is being introduced by recognizing in terms an informer and the payment to him of a certain portion of the penalty. This is recognized in our Criminal Code in express terms in section 1041 and 1042. They provide that a moiety of any penalties imposed shall belong to the informer or person who sues for the same, and the other moiety to His Majesty for the public uses of Canada. I quite realize in common with other members that the informer engages in a rather undesirable job, but I do not think we are going outside our legislative purview in this instance. We are simply providing that whereas now the informer is paid only a portion of the penalty after the conviction, new regulations may be made under which he may be paid an amount based on the value of the goods seized.

Mr. BOURASSA: There is a radical difference between the case quoted by the hon. minister and this case. The former is a rather rare type of case and is surrounded by all the protection afforded to the accused person under the criminal law; but here you disregard all the principles incident to the trial of an accused person. You put him in the most unfavourable position with respect to the burden of proof and the discretion of the court, so that he can hardly defend himself; and then, having discarded all the guarantees given to the accused before he is found guilty, you invite thousands of individuals from the Pacific to the Atlantic to interest themselves in the application of this law in order to make money.

Mr. ROBB: Mr. Chairman, the government has been making an honest effort to correct some of the abuses which were brought so forcibly to the attention of the House last year, and is quite sincere in its desire to stop smuggling. But it is now twenty minutes to midnight, we have been debating this question for over an hour and apparently the committee are somewhat divided. I for one feel that we have done a pretty good day's work. and I am going to ask my colleague the Minister of Customs to report progress. Probably on reflection hon. members will realize the propriety of the clause as presented.

Mr. GUTHRIE: Mr. Chairman, my hon. friend the Minister of Finance who is now leading the House says that the government has a sincere intention of passing this bill and improving the customs law.

Mr. ROBB: The bill was presented with the sincere desire of putting a stop to smuggling.

Mr. GUTHRIE: He will realize that the objections to the bill have not emanated from the Conservative opposition. We on this side have used every effort to assist the passage of this measure.

Mr. ROBB: We recognize that.

Mr. GUTHRIE: The reason it has not been passed is that hon. members opposite, supporters of the government, objected.

Mr. EULER: Mr. Chairman, I resent what has been said from this side of the House that this measure is fathered or assisted or initiated by anyone on the other side. The charge is not fair. The language used by the hon. member for Labelle that the hon. member for Vancouver Centre is the acting minister of customs is not worthy of the generosity of the race from which he comes.

Mr. STEVENS: Hear, hear.

Mr. EULER: I am not going into the merits any more than to say that no new principle whatever is introduced in this clause. The informer has always been recognized. It is merely an effort to carry out the recommendations made by the parliamentary committee last session. The opposition that has developed is more or less of a surprise to me. I beg to move that the committee rise and report progress.

Progress reported.

On motion of Mr. Robb the House adjourned at 11.40 p.m.

Friday, March 25, 1927.

The House met at three o'clock.

REPORTS OF COMMITTEES

Fifth report of the select standing committee on railways, canals and telegraph lines.—Mr. Young (Saskatoon).

Fourth and fifth reports of the select standing committee on standing orders.—Mr. Morin (St. Hyacinthe-Rouville).

Second report of the select standing committee on banking and commerce.—Mr. Hay.

COMMITTEE ON AGRICULTURE AND COLONIZATION

Mr. W. F. KAY (Brome-Missisquoi) moved:

That the second report of the select standing committee on agriculture and colonization be concurred in.

Motion agreed to.

PRIVATE BILLS

FIRST READINGS

Bill No. 216 (from the Senate), for the relief of Queenie Isobel Parks.—Mr. Bothwell.

Bill No. 217 (from the Senate), for the relief of Charles Shedrick Phillips.—Mr. Anderson (Toronto-High Park).

[Mr. Guthrie.]

Bill No. 218 (from the Senate), for the relief of Lavina Harrison.—Mr. Bell (Hamilton West).

Bill No. 219 (from the Senate), for the relief of Marretta Isobelle Grose Leach.—Mr. Heaps.

Bill No. 220 (from the Senate), for the relief of Mabelle Amelia Bulmer.—Mr. Anderson (Toronto-High Park).

Bill No. 221 (from the Senate), for the relief of John Lauron Garfield Evans.—Mr. Anderson (Toronto-High Park).

Bill No. 222 (from the Senate), for the relief of Ernest Arthur Kingston.—Mr. Young (Toronto Northeast).

Bill No. 223 (from the Senate), for the relief of Norah Louise Patricia Campbell Chauvin,—Mr. Garland (Carleton).

NORTH HURON VACANCY

On the Orders of the Day:

Miss AGNES C. MACPHAIL (Southeast Grey): Will the government inform the House when they contemplate holding the by-election in North Huron?

Hon. ERNEST LAPOINTE (Minister of Justice): I am sorry I cannot give any information to my hon. friend, but I will submit the question to the Prime Minister.

CARILLON FALLS POWER

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): Will the government tell us what its intention is with respect to the renewal or otherwise of the lease to the National Hydro of the Carillon water-power, and if the lease is to be renewed will the government give the House an opportunity of studying the terms and discussing the matter?

Hon. CHARLES A. DUNNING (Minister of Railways): I hope all these matters can be discussed when a certain bill goes before the committee on railways and canals, and I will be prepared then to indicate the intentions of the government.

OLD AGE PENSION BILL

On the Orders of the Day:

Mr. F. G. SANDERSON (South Perth): Following up an item appearing in the Ottawa press this morning to the effect that the Old Age Pension Bill was passed in the Senate yesterday, will the minister inform us if he is aware of it, and if he has received any official notice in any way other than the press report that such is the case?

Hon. PETER HEENAN (Minister of Labour): My information is that the Old Age

Pension Bill has received the third reading and that not only has it passed the Senate but it has reformed the Senate.

ALLEGED POLITICAL PARTISANSHIP IN BRITISH COLUMBIA

On the Orders of the Day:

Hon. S. F. TOLMIE (Victoria, B.C.): I wish to quote an item appearing in the Vancouver Province, which reads:

> Ottawa, March 19, 1927.—Alexander I. Fisher, Fernie, B.C. has been named commissioner to investigate charges of political partisanship preferred against government employees in British Columbia. Official announcement of the appointment of Mr. Fisher is made here. Mr. Fisher was formerly provincial member for Fernie.

Will the minister inform me what the duties of this man will be, at whose recommendation he was appointed, and if it is possible, may we have the correspondence leading up to his appointment laid on the table?

Hon. J. H. KING (Kootenay, Minister of Soldiers' Civil Re-establishment): Mr. Fisher was asked to act as commissioner to investigate certain charges of partisanship in the service. I may inform my hon. friend that Mr. Fisher has not found it convenient to act and that another commissioner will be appointed to make the investigation.

GEORGIAN BAY CANAL

On the Orders of the Day:

Mr. R. K. ANDERSON (Halton): I beg to lay on the table of the House a resolution passed by the municipal council of Burlington, Halton county, Ontario, against the renewal of the charter of the Montreal, Ottawa and Georgian Bay Canal Company and opposing Bill No. 78.

SUPREME COURT ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 141, to amend the Supreme Court Act.

Mr. C. H. CAHAN (St. Lawrence-St. George): I desire to say a few words with respect to this bill. Bills Nos. 139, 140 and 141 all contain the same subject matter and are really collateral amendments effecting the main purpose which the government has in view, and I trust I will be excused if I make one statement with regard to the three of them. I think every member of this House will be in favour of any efficient measures which are taken to create public confidence throughout the country in the constitution and administration of the Supreme Court of Canada. I notice in the report of the Imperial conference that it is suggested—and in fact the assent of the Prime Minister and of the Minister of Justice to the recommendations of that report would seem to imply,—that, tentatively at least, they have agreed to the appointment of a sub-committee of the Imperial conference to inquire into, report upon and make recommendations with regard to amendments to certain imperial statutes, which give the statutory right to the Judicial Committee of the Privy Council to hear appeals from the appellate courts of the various provinces of Canada, and from the Supreme Court of Canada. A few years ago this parliament passed an amendment to the criminal code which now appears as section 1025. It provides that:

> Nothwithstanding any royal prerogative, or anything contained in the Interpretation Act or in the Supreme Court Act, no appeal shall be brought in any criminal case from any judgment or order of any court in Canada to any court of appeal or authority, by which in the United Kingdom appeals or petitions to His Majesty in Council may be heard.

It was contended in this House at the time and subsequently in some of our courts that section 1025 did prevent the king in council from granting special leave to appeal in Canadian criminal cases. The constitutionality of the enactment recently came before the Privy Council in the case of Nathan vs. the King, which is reported in 1926 appeal cases, page 482, and the Privy Council decided it was void ab initio. They declared that the ancient prerogative right of each citizen of the British Empire to appeal to the king in council had been embodied in certain statutory enactments of the Imperial parliament, notably the Judicial Committee Acts of 1833 and 1844, which expressly provided for the admission of any appeals to the Judicial Committee of the Privy Council from any judgments, sentences, decrees or orders of any court of justice within any British colony or possession abroad. Those acts also empowered the Judicial Committee of the Privy Council, by sequestration of real and personal estate, goods, chattels and effects wheresoever lying within the dominions of His Majesty, to enforce obedience to orders of the Judicial Committee. I infer from the report of the Imperial Conference Committee that this government, at least as its views were expressed at the conference by the Prime Minister and by his colleague the Minister of Justice, contemplate amendment by the British parliament of those Judicial Committee Acts in such wise as to restrict, if not abolish entirely, the right of appeal from the Dominion courts to the king in council.

I do not think, that I would object to very decided restrictions upon the right of appeal to the Privy Council in criminal cases; nor in commercial cases, nor involving ques-

tions as between province and province, would I object to certain restrictions, because in my own practice I find that the right of appeal to the Privy Council in such cases often becomes a menace to the rights of individuals who have not sufficiently large financial resources to enable them to maintain their defence to appeals granted to large and wealthy corporations throughout Canada. In fact I believe that corporations of this character have made use of their financial strength to intimidate and to restrain litigants from maintaining judgments which they have obtained in the highest courts of this country, by threatening them with an appeal to the Privy Council, and, if the threat was not successful, putting an appeal into effect. The expenses of an appeal to the Judicial Committee of the Privy Council are ruinous to litigants of moderate means, and I think the time has come when the government might well consider the amendment of the Judicial Committee Acts of 1833 and 1844 in such manner as would restrict the right of the Judicial Committee of the Privy Council to grant leave to appeal in many classes of commercial cases.

The decision of the judicial committee in the case of Nathan vs. the King was based, as all the lawyers of this House are well informed, upon the principle that acts of the parliament of Canada restricting appeals to the Privy Council are repugnant to certain sections of the Judicial Committee Acts, and that to the extent of that repugnancy they are null and void ab initio, by reason of the application of the Colonial Laws Validity Act, 1865. I understand from the report of the Imperial Conference Committee, to which the Prime Minister and the Minister of Justice gave their assent, that they agreed with representatives from the other dominions that negotiation should be entered into and measures taken to secure an amendment or a repeal of the Colonial Laws Validity Act. With regard to that, there may be opportunity for discussion at another time.

But if we are to contemplate at the present time or within the near future the abrogation or restriction or limitation of appeals to the Judicial Committee of the Privy Council, it becomes incumbent upon this government and parliament to strengthen as far as possible the Supreme Court of Canada as the highest appellate tribunal in this country. I presume that is what the Minister of Justice has in view. The measures which he has taken to strengthen that court do not altogether appeal to me, but I am merely expressing my own personal views. The other day I listened to the hon. member for Muskoka-Ontario (Mr. McGibbon) discussing the question of longevity and the physical and mental incapacity that is supposed to overtake men at the age of 75 years, and I was glad to reflect that perhaps the difference between my own point of view and that of the hon. member was due to the fact that he and other young men in this House, who rendered brilliant service throughout the five years of the war, and who have since then given splendid public service in this House and elsewhere, have during the five years of war lived perhaps the same length of time that ordinary mortals like ourselves live in a score of years. Therefore it is but natural that now, before having reached even the prime of life, he looks forward to twenty-five years hence as a time when he would be physically and mentally unfit to perform the duties of his profession. But when sitting in my library last Sunday afternoon I was reminded of an old verse of Longfellow's which I looked up, in which he said:

> Cato learned Greek at eighty; Sophocles
> Wrote his grand Oedipus, and Simonides
> Bore off the prize of verse from his compeers,
> When each had numbered more than four-score years,
> And Theophrastus at four score and ten
> Had but begun his Character of Men.

That led me to the reflection that we have in the United States Supreme court, to which the hon. member for Muskoka-Ontario referred, one of the most brilliant judges that New England ever produced, one of the greatest authorities on English common law that we have ever known, a gentleman who now sits in the full vigour of his manhood and intellect, delivering judgments from day to day at eighty-six years of age.

There are others. For instance, I looked up another volume and I found that Sir Horatio Lloyd, the venerable recorder of Chester, England, performed the duties of his office to the entire satisfaction of the clients of the court over which he presided, until his death at the age of ninety-one. Lord Chancellor St. Leonards had full intellectual vigour until he died at the age of ninety-three. Lord Halsbury, one of our great lord chancellors, preserved his physical and mental power until he was over ninety years old, and he died recently at the age of ninety-six. Lord Mersey, another English judge, sat on the bench until he was over eighty-one years of age.

I remember another figure who played a great part during the recent war. I refer to Georges Clemenceau who really led not only the political but the military forces of France

to victory when he was seventy-seven years of age, and who is now producing some of his best literary work at the age of eighty-six. Flammarion, the great French astronomer, died recently at the age of eighty-three, and until he was eighty-two years old he was taking a very active part in the scientific work of France. I looked up once more the biography of Viscount Morley, and I found that when he was over eighty years old he was writing the best of English of any writer of his time. Viscount Bryce, President Eliot of Harvard, Doctor Lyman Abbot, William Dean Howells were all active in literary work and mentally and physically fit at over eighty years of age. Levi P. Morton Vice-president of the United States, one time governor of the state of New York, one of the greatest bankers that the United States has produced, lived with full intellectual vigour until he was ninety-six years of age.

I recall that in our own country we have similar instances. I knew Sir Charles Tupper at the age of ninety, Sir Sanford Fleming at the age of eighty-five and Lord Strathcona at the age of ninety, all intellectually vigourous. Then I looked a little further along the shelf of my library, and I found that Michael Angelo and Titian when over ninety years of age were turning out their famous paintings, and in fact the critics say that some of Titian's finest work was done when he was ninety-nine years old. I looked into the history of old Greek literature and I found that Solon, Zeno, Pythagoras, Democrates and Diogenes were men of renowned intelligence and lively wit when they were over ninety years of age. Theophrastus, to whom Longfellow refers, published his great and famous work on the Character of Men when he was more than one hundred years of age.

I can instance great actors such as Macready who was on the boards until he was eighty, the divine Sarah Bernhardt until she was eighty-one; Miss Genevieve Ward scored a great triumph as Volumnia in Coriolanus when she was eighty-three. Sir Charles Wyndham, whom I have seen acting on the stage in London, held the stage until he was eighty-four years old.

After reading these biographies my pessimism was lost entirely in the sunshine of my fancy, and I began to look forward to that time, about twenty-five years hence, when I, having more leisure than I have to-day, might be writing essays on how to be happy and useful although one had reached the age of ninety. In view of all this it seemed to me that it was at least premature to pass a statute taking the judges of the Supreme court and the Exchequer court away from their duties at the modest age of seventy-five, provided that they were then physically and mentally capable of performing the duties of their office. Some of the ablest men with whom I have come into association are those well up in years. I might refer to my hon. friend for whom we all have a deep and sincere affection and who is now sitting at my right, the hon. senior member for Halifax (Mr. Black) who has reached upwards of eighty years of age.

In other departments of life I found so many men who had only begun to learn wisdom at seventy years of age that it seemed to me it was a deprivation and prejudice to the interests of the country necessarily to decapitate judges at seventy-five years of age. That led me to reflect as to why the act to amend the Judges Act, which was passed in 1922, which appears as chapter 29 of 12-13 George V, an act which was introduced as a government measure and passed by this parliament, had not been effective for all the necessary purposes which are attempted to be achieved by the bill now before the House. I find that in the Supreme court to-day there is one judge of eighty-six years who has served for twenty-two years and who, if I interpret the Judges' Act aright, was entitled, upon completing a service of twenty years, to retire with a full pension.

Mr. LAPOINTE: Based, not upon his present salary, but upon his salary as it was before the last increase.

Mr. CAHAN: Yes, based upon the salary which he accepted at the time of his appointment.

Mr. LAPOINTE: Yes.

Mr. CAHAN: I do not know anything of the domestic affairs of the Supreme Court of Canada; but if, for instance, it is intended to remove that judge at eighty-six years of age. it seems to me that chapter 29 of the statutes of 1922 fully covers the case and provides the machinery necessary to effect that judge's abdication of office. Let me read section 26a:

> Any judge of the Supreme Court of Canada, or of the Exchequer Court of Canada, or of any superior court in Canada, or any local judge in admiralty of the Exchequer Court of Canada, or any judge of a county court, who is found by the governor in council, upon report of the Minister of Justice, to have become, by reason of age or infirmity, incapacitated or disabled from the due execution of his office, shall, notwithstanding anything in this act contained, cease to be paid or to receive or to be entitled to receive any further salary, if the facts respecting the incapacity or disability are

first made the subject of inquiry and report in the manner hereinafter provided, and the judge is given reasonable notice of the time and place appointed for the inquiry, and is afforded an opportunity by himself or his counsel of being heard thereat and of cross-examination of witnesses and of adducing evidence on his own behalf.

The act also provides for a commission of inquiry, and makes further provision that His Majesty may grant unto—

—any judge who has been so found by the Governor in Council to be incapacitated or disabled by reason of age or infirmity as aforesaid, and who resigns his office, the annuity which he might have received if he had resigned at the time when he ceased to be entitled to receive any furthr salary.

Simply because a few men become incapacitated at the early age of seventy-five, why should we provide that all men, no matter what their physical or mental capacity may be at that age, shall be retired from these high judicial positions? I find that another judge who has been sitting on the Supreme Court for nine years, a very estimable gentleman and a personal friend of mine for many years before he accepted his high position, will be seventy-three on September 30 next; two years more and that judge, right in his prime, will be compelled to retire on a pension. I find that another justice of the Supreme court who has served two years will, in seven years, be seventy-five years of age, and he will then be retired in like manner.

For my part, I think that in the retiring of these two judges to whom I have referred we will be retiring a great portion of the judicial experience and intelligence now controlling the decisions of the Supreme Court of Canada.

The bill also provides for the appointment of an extra judge. At present six judges hold office; if I remember correctly five constitute a quorum, leaving one spare judge. Would it not be far better to restrict the number to six and to increase the salaries of the remaining judges? I know there is some hesitation on the part of certain members of the House to increase the salaries of those who hold high judicial positions, but the fact is that in the United States they pay higher salaries to the judges sitting on many of their state courts than we pay to the judges sitting on the Supreme Court of Canada. My ideal would be to have a Supreme court bench constituted of the very best legal intelligence that this country can produce, and I submit that the lawyers of Canada are not inferior in intelligence to the lawyers who plead before the Judicial Committee of the Privy Council or to many of the judges who sit on that great court in London.

Appointments to the Supreme Court of Canada should be kept entirely non-political if possible. I am not advocating that I should receive such an appointment even if I were qualified and entitled to it, because under the reasonable conventions which exist in our province no English-speaking Protestant from Quebec has ever sat on the Supreme court, and in my opinion none will ever sit on that court for years to come. Therefore I have no personal interest in the matter, but I would like to see the salaries of the judges of that court made higher, so as to afford adequate inducement to the very best practising legal talent in the country to accept such appointments. Until we render that court entirely non-political and until we offer inducements which will bring to that court the very best legal talent Canada possesses, the country as a whole will not have the entire confidence in that court it should have, and therefore I would like to see its position improved in every possible way.

Mr. WOODSWORTH: Would the hon. gentleman permit a question? Am I to understand that the only way of securing the best legal talent is by means of a very large salary? Are there none who would be willing to contribute their services for the good of the country?

Mr. CAHAN: I have no doubt there are, but sometimes those who are most vociferious in offering their services for the benefit of the country are the least qualified to perform these duties. Nevertheless, there is a further point which might be considered by my hon. friend. The practising lawyers in our large cities undertake very onerous responsibilities, and in many cases the cost of living in those large cities and the cost of carrying on their life work render their financial burdens very heavy. Sometimes it is very difficult indeed to induce men of high standing in the profession, in view of his personal commitments to accept the very meagre salaries that we now grant to members of the Supreme Court of Canada for judicial services.

Mr. HEAPS: What is the meagre salary now?

Mr. CAHAN: If I remember correctly the salary as fixed by this bill is $15,000 for the chief justice and $12,000 for the other justices.

An hon. MEMBER: You think that is meagre?

Mr. CAHAN: I do think that is meagre. I do not wish to be personal, but in the pro-

fession in the city of Montreal those who are by public opinion the better qualified for that service, those whose professional services are in constant demand, would average a net salary of at least $30,000 or $40,000 a year or more. No man who occupies a high position in his profession in Montreal, Toronto or in any other large city can live and maintain his position in the professional and social life of the city on a salary of $12,000 a year.

Miss MACPHAIL: I would like to ask the hon. gentleman a question. Does he not think that other people than those engaged in this very lofty profession may have the same desire to maintain a certain status? Would he not feel like extending this same generous spirit to all the other classes in Canada?

Mr. CAHAN: I venture to say to the hon. member for Southeast Grey that if she is making her inquiry in a personal sense, I have given of the very best of my life, as much as any other man living, to the service of the very class of people to whom she refers.

Miss MACPHAIL: I was not thinking of the matter in a personal way at all. I certainly did not mean my observations to apply personally but to the class for whom the hon. member is solicitous. The hon. member speaks of "the meagre salary of $15,000." I am sure the people of Canada would be much amused to hear that. I suppose even those people having this meagre salary must have a pension in order to tide them over their old age.

Mr. CAHAN: Quite so; they should have a pension. I still think, notwithstanding what my hon. friend has said, that the best service this parliament can perform for the class of people to whom she refers is to ensure that the highest intelligence this country can produce will qualify the judges who sit on the appellate tribunals of Canada.

Miss MACPHAIL: Do you not think that an easier and quicker method would be to so frame the laws of the country that persons of common sense can understand them?

Mr. CAHAN: It is very much better to have the laws written so that persons of common sense may understand them, but it has not always been found possible in the history of the country to provide sufficient intelligence for the readers so that they can understand laws however plainly they are written.

Miss MACPHAIL: Do you not think that having so many lawyers make the laws has something to do with the fact that they are framed in such a way that it takes a lawyer of acute mind to read them?

Mr. CAHAN: I have no doubt those opinions are entertained by the hon. member for Southeast Grey—

Miss MACPHAIL: They certainly are.

Mr. CAHAN: It simply discloses, I think, a lack of profound reflection upon the matter. My hon. friend has admirable common sense, we all know that, but I have seen very few speeches in which her common sense has elucidated the questions at issue before this parliament in such a way as to provide more plainly written statutes than we have at present. This is my plea and I think a grave responsibility rests upon the Minister of Justice who is leading the House this afternoon. The need is for the very best Supreme court that we can provide. It is absolutely essential for the welfare of Canada, and it is still more essential if, in the coming years, we are to limit, or restrict or abrogate appeals from our courts to the Judicial Committee of the Privy Council. I believe for one that in respect of purely criminal matters, in respect of many classes of commercial matters, the sooner appeals to the Privy Council are restricted the better it will be for the litigants of this country. I do not include constitutional questions in that, I do not include questions arising as between province and province either, because I do not think that we have reached that development of the spirit of unity in this country which would warrant us at the present time in limiting or abrogating appeals to the Privy Council in the last two classes of cases named. Confidence is a plant of slow growth; and we who sit on this side of the House all look forward to the time, we hope in the not distant future, when such confidence will be created between all sections and all classes of this country, that we will not have to look abroad for a judicial arbitrator to decide in respect of our own local or political differences.

Mr. McQUARRIE: When this bill was last before the House I think the minister promised to bring down certain information. I suppose he has that information here to-day. He stated, I think, that representations had been made to him by bar associations, and by members of the judiciary asking that this legislation should be passed. I think the minister promised that he would furnish information in regard to those representations.

Mr. LAPOINTE: No, I said that I would make a statement as to the number of cases in which it had been found necessary to call in judges ad hoc to sit in recent years, and I intend to do that when the bill is in committee.

Mr. McQUARRIE: I understand that one of the judges of the Supreme court has been unable to act for over two years, one of the judges referred to by the last speaker. I was under the impression that on a previous occasion when this matter was discussed the minister did say that representations had been made to him by bar associations and members of the judiciary.

Mr. LAPOINTE: I think my hon. friend had better let the bill go to committee if we are to have these mutual conversations. They cannot proceed on a second reading of the bill.

Mr. McQUARRIE: I understand the minister promised to do exactly what I have stated.

Mr. LAPOINTE: Oh, no. I said that the matter had been called to my attention many times by both members of the bar and of the judiciary, and I have been considering it and have discussed it with various people. I never said I would bring in anything official and I do not intend to.

Mr. McQUARRIE: I must have misunderstood the minister.

Mr. LAPOINTE: Yes.

Mr. McQUARRIE: May I ask if any representations in this connection have been made by the Canadian Bar Association?

Mr. LAPOINTE: Not officially.

Mr. McQUARRIE: I did not catch the answer.

Mr. LAPOINTE: I said "no", not as to that.

Mr. McQUARRIE: Would the minister care to say—

Mr. SPEAKER: This is a motion for the second reading of a bill at which time only one speech can be made by an hon. member, and there can be no cross-examination. The hon. member may put such questions as he desires when the bill is in committee.

Mr. McQUARRIE: I was simply asking a question.

Hon. R. B. BENNETT (West Calgary): Before the motion is put and the bill goes to committee perhaps it would be very appropriate for me to make a few observations with respect to a matter that I think sometimes is much misunderstood. It is alleged that the legal profession is more or less a close corporation, and that there is a very great desire on the part of its members to ensure large salaries for judges. I think those who hold that view have an entirely erroneous impression with respect to the matter. I have no intention of ever becoming a member of the bench and therefore, although I am a member of the profession, I think I can speak with some degree of fairness with respect to the matter. The real difficulty lies in the fact that judges are apart really—

Mr. WOODSWORTH: Louder.

Mr. BENNETT: It is rather difficult for me to speak loud to-day because I am very tired, but I will do the best I can. I think there is a failure on the part of many hon. members to realize that judges are really the most important officials there are in the country. Some of my hon. friends may seriously differ from me with respect to that, and yet you remember that one of the most powerful minds of his time always regarded judges as being next even to the sovereign in the early days of the government of the country. Upon the integrity, the ability, the capacity and the right sense of justice of the judges of the country depends the progress of our civilization. Whether we like it or not that is so, and it is important that judges should be appointed to the bench who are first of all men of experience and learning, men of character and men of worth, because the administration of justice has rightly been said once to be almost an attribute of the Godhead itself. Now if men enjoying large incomes have no ambition to go upon the bench it follows that you have to fall back upon the second line, and instead of appointing the best men to the judiciary you have recourse to men of indifferent qualifications in their profession. In England it has long since been found that you have to pay your judges adequate salaries in order to attract the best men, and hence it is that salaries ranging from $50,000 to $30,000 a year are paid to judges over there, and the salaries are paid so that they will attract, as I say, the very best minds to judicial office. You will notice that the appointments made in recent years to the office of judge in England have been of men who were leaders at the bar. It is true that men who have held office as law officers of the crown take only one of two positions, that of Lord Chancellor or Lord Chief Justice, and with the exception of the attorney general and the solicitor general it has always been the custom for leaders of the English bar to look for places on the bench. Only a few days ago one of the great leaders of the English bar, the man who led for this country in the Grand Trunk Pacific arbitration case, was appointed to the chancery division.

He was enjoying a very large income, but he has taken a much lesser income and gone to the bench, for what reason? For the reason that the position is one of great dignity and carries with it a reasonable salary and an adequate pension in his old age, and no man will go to the bench in Canada and forego fifty or sixty or seventy-five thousand dollars a year if he does not feel that there is some assurance that, with the limited salary he receives on the bench, he will have some security for his old age. That seems to me to be elementary.

In England, where they have increased the salaries of the judiciary until they have attained their present figures, they have learned by experience that to appoint second-class men to the judiciary has been in the end the worst possible thing for the country. Nothing has struck me more than the respect, amounting almost to reverence, with which the judiciary in Great Britain is held by the common working people of the country, and I use that word in the sense of the man on the street. In this country you have a somewhat different condition prevailing, and I attribute it in part to the fact that because of the meagre salaries that are paid to judges on the bench, men of indifferent professional attainments, by virtue of political considerations, are elevated to the bench, and in the end it is a costly thing for litigants because they are compelled to appeal from time to time in order that justice may be done, whereas if first rank men, men of the highest capacity in their profession, occupying great positions at the bar and enjoying large incomes, can be induced to accept judicial positions, you have brought to bear upon the solution of the problems that affect the well-being of the country the very best minds within it.

My hon. friend from Southeast Grey (Miss Macphail) has suggested that perhaps the increasing number of lawyers in the legislative bodies of the country had something to do with the business that has to be transacted in the courts. That is hardly so. The great commercial cases, great matters affecting the constitution, great matters affecting the interests of the country as a whole, must necessarily find their way to the courts. For instance, in the evolution of our constitutional system of to-day, the interpretation of the British North America Act would never have been as perfect as it has been, with all its imperfections, were it not for the fact that there has always been the right of appeal to the Privy Council, where a single judgment expresses the opinion of that great court; there is no possibility of there being dissenting judgments or differences of opinion in that tribunal. Personally, I have always favoured a single judgment written, and that to a great extent is what is prevailing in our Supreme court to-day, because when a litigant reads that two out of three judges have found in favour of his opponent, and finds that the majority of the judges in the lower courts, in the appeal courts and in the court of last resort are in his favour, he is dissatisfied. That does not make for confidence, but it sometimes happens under our judicial system.

I should like the hon. member for Southeast Grey to realize that we are advocating adequate salaries for judges, not because they happen to be lawyers, but because you cannot attract the best minds, leaders of the bar enjoying a large income, unless you pay them adequate compensation for their services. These men who have given up their practice and gone to the bench were enjoying in many cases three and four times the income they now enjoy. For instance, one great leader of the English bar to my knowledge earned in one year £70,000. The highest salary he could possibly hope to obtain as a judge would be perhaps $50,000. If he went to the bench, to the highest judicial position, if his party were in power, he would receive a small pension on retirement. One of the most eminent English judges to-day, a retired Lord Chancellor, depends very largely on his pension. One of them, who is now giving great service at The Hague, a gentleman over eighty, is not in receipt of any pension because when he became Lord Chancellor he was content to abandon altogether the idea of a pension because his idea of public service was such that he felt he could afford to do it. It is idle to suppose that a man may attain the high position of judge, with all the social and other obligations that attach to it in Ottawa, and live as he should do on $1,000 a month, and be able to make any provision for his old age, and hence it is that the state has always provided a pension so that after a given number of years of service the judges may be able to retire and live in some measure of comfort.

But there is another reason. In the early days in Great Britain and elsewhere there have been cases in which as much as $100,000,000 was involved. When you have litigation of that character, if you have a man on the bench enjoying a salary of only $5,000 or $6,000 a year—and there are those who would endeavour to destroy the integrity of judges—think how great the temptation that may sometimes be placed in his way,

sometimes has been; and so it has been found desirable that you should relieve them of any possibiliy of temptation, on the one hand, and get men of the highest qualifications, on the other, men of professional rectitude, men of character, men of the highest attainments to grace the positions they occupy not only by reason of their learning and ability, but by reason also of their character.

That is the effort that is being made in this country. Sometimes we have made appointments that have been political in their character. That is true; both sides have done it. It has been the reward sometimes for candidates who have run elections. Men have run elections, gone into a campaign, faced a constituency and said: Well, this is the only sure way by which I can get a judgeship. I know of cases like that, and so does my hon. friend the Minister of Justice (Mr. Lapointe), and I regret to say that in every province in Canada you will probably find on the bench one or two men whose appointments have been made solely because of the services they have rendered of a political character. But if we make the salaries, the emoluments and the pension that attaches to office adequate then with the realization that work well done for the state will be recognized not only by the state but by the community in which the judges live, we may be able to break down slowly the pull and the pressure that comes from political considerations in appointments of this character and get our best minds on the bench.

What the hon. member for St. Lawrence-St. George (Mr. Cahan) said with respect to some men having done their best work at an advanced age is certainly very encouraging to one of my years, and I heard his observations with the greatest interest and pleasure, but I do sometimes think that when men have attained the age of seventy-five or eighty years there is a strain upon their mental powers in a country such as this that makes it undesirable for them to continue the administration of justice. I have held that view for a great many years. I do not say that seventy-five is the age; it is difficult to fix, because we have striking examples in every part of the country of men who at seventy-five and perhaps over have done their very best work. But these are the exceptions.

I should like further to say that it is not fair to institute a comparison between a judge in an older civilization and a judge in a country such as this. Judges in England are appointed from the barrister branch of the profession. They have had none of the drudgery of solicitors. Men in Canada who practise the profession usually practise both branches; they are both attorneys, solicitors and barristers, and if you appoint these men to the bench I think in most cases it will be found that before they reach the age of eighty there is a conscious or unconscious failing of their mental powers. I do know that one distinguished member of the bar in this country declined judicial office because he said to me he felt that at his age—he had not attained eighty, but he was over seventy—he would not be able to discharge his duties in such a way as would be creditable either to himself or to the country. A former Minister of Justice declined to appoint to the bench anyone over seventy years of age, because he felt that it was improper to appoint to the bench anyone over that age, which may or may not have been correct. I do not desire to express a definite opinion with regard to the age, as between seventy-five or eighty, but I think you will find there is a general consensus of opinion among litigants in the country that when a judge has attained the age of seventy-five he has, not wishing to be unkind, outlived his usefulness. There are cases where this condition does not apply and there always will be such cases. But speaking generally when men have discharged the difficult duties and borne the wear and toil of professional work to the extent to which a successful practitioner does, at the age of seventy-five I think they should be willing to take a holiday and enjoy a well-earned pension. Whether seventy-five is the exact age or not, I am not prepared to say, but I do feel from my own observation that at the age of eighty no gentleman should be occupying a seat on the bench. That is my personal view.

Now with respect to this particular measure which will have the effect of retiring at once a member of the Supreme Court of Canada, I have had grave doubts in my own mind as to the soundness of legislation that terminates, in terms of age, a contract between the state and a judge which was not a condition of the contract when it was made. I mentioned my view to my hon. friend the Minister of Justice yesterday, because it will be remembered that under the British North America Act a judge is appointed during good behaviour or for life and when his commission is issued one of the terms of the commission is that very provision that he should hold office during good behaviour or life.

Now to add to that contract in reference to an existing judge a term whereby at the age of seventy-five he vacates office, or if he has already attained that age, he must vacate office, is really to create a breach of that contract by legislative authority, and

it may well be that the question of compensation will be alleged to be involved, I, myself, presented that view to the Privy Council in connection with a case that arose in the province of Alberta, and the court then held that it was competent for the appointing power to select, because of the terms of that particular legislation, without involving a breach of contract, a particular person to be chief justice of the court in question, although there had been a chief justice under the previous legislation. That was a matter arising under a particular statute. This parliament has power undoubtedly to pass this legislation. It has not power to limit the age of provincial judges, because it is provided in the statute itself that no limitation of age shall involve their removal from office. That is altogether different from the federal court. This parliament could, if it so desired, abolish the Supreme Court of Canada, it could abolish the Exchequer Court of Canada, and it could provide by reorganizing the constitution of the court, that no person could hold office after he reached the age of seventy-five, but that would involve the destruction of the court. What we are now doing involves a breach of the contract between the individual who holds office at the present time and the state, because his patent of office declares that he shall hold office during life or during good behaviour. He is still alive. His behaviour is not questioned, and the state has now said that because he attained the age of seventy-five years some time ago, he shall now forfeit or surrender his office—that by virtue of the statute his office is abolished, notwithstanding his patent. I suggested that it might be desirable to consider the question as to how far this parliament was committed under these circumstances to pay him during his lifetime the salary attaching to his office. I only mention that. I do not suggest it in any sense as being critical of the measure, but I suggest it because it is involved in the discussion of this matter. I think the minister should carefully consider that point. He was good enough to mention it to me yesterday and I have given some thought to the matter since.

May I say to my hon. friends to my left, do not imagine for a moment that those who belong to the legal profession urge large salaries and retiring allowances to the judiciary in order to advance their own interests. This is not a close profession. It is a profession to which you will find, in the west particularly, that young men who have made their way by dint of toil and study have been attracted. It is important from the standpoint of the men who toil with their hands that there should be at all times in the country the utmost confidence in the courts of justice and confidence is begotten of a recognition and realization of knowledge, learning, ability and character. These attributes are of importance to judges. They are the instruments in the administration of justice. The essential quality of the Goddess of Justice is impartiality and justice is an attribute of God. If you are to have justice administered efficiently and faithfully, if you are to have confidence in the judges of our courts, to rely upon their judgments and to feel that the differences between labour and capital and the great issues involving property and men's liberties, privileges and lives are honestly and justly dealt with, it can be done only by attracting to the bench men with the qualifications and attributes to which I have alluded. It is for these reasons and not for any monetary consideration that those of us who have any hope and desire to attain judicial office do urge as strongly as we may that this high court of parliament should recognize that those who administer the law should be beyond suspicion and should be amply protected by sufficient salaries while they are able to discharge their duties and ample pensions when they are unable to do so.

Mr. WILLIAM IRVINE (Wetaskiwin): My hon. friend referred to political influence at times affecting the appointment of judges. Does my hon. friend think that if the judges to be appointed were at least nominated by the bar association it would tend to eliminate that undue political influence which at times creeps in?

Mr. BENNETT: My hon. friend from Wetaskiwin has raised a most interesting point in his question, and I am bound to say that one former Minister of Justice considered it his duty in connection with his appointments to the bench to consult the attorney general of the province and in one or two instances was good enough to consult the local bar association of the respective provinces. There is no doubt—and I can say this without giving offence to anyone—that every man who has held the onerous position of Minister of Justice—and I held it for a few weeks or a few months—can well realize how difficult it is to escape the pressure of politicians urging the appointment of a man whose sole qualification was that he ran an election and lost it, and having run one election did not desire to run another. That is one of the difficulties a minister of justice is faced with;

therefore we must have sympathy with the Minister of Justice in those circumstances. He usually shields himself behind the excuse that he has consulted his colleague from the province from which the appointment is to be made, and that colleague, not being a lawyer, yields to the line of least resistance, and appointments are made about which it would not be well to say too much. But I think it would aid in securing the type of appointment I have mentioned if recourse were had to the bar associations or the law associations in the various provinces in respect of matters of that kind. It will be remembered that almost a scandal arose in connection with some judicial appointments in western Canada during the last ten years by reason of public protests being made against those appointments. Nothing is better calculated to lower the standard of the judicial office and its efficiency and effectiveness than to have that happen. We all know that and will agree upon it. For instance, it is difficult to get the public to believe that a man who has occupied a position in politics during which he has been proven to have been interested in transactions of a doubtful character, should be rewarded by appointment to the bench. That is one of the things with respect to which my hon. friend from Wetaskiwin has spoken publicly, and I am sure my hon. friend from Winnipeg North Centre (Mr. Woodsworth) will make some observations along the same line.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, two of the most eminent legal gentlemen in this House have taken the opportunity of passing a eulogy upon the bench and making a plea for adequate remuneration of the men who accept judgeships. Perhaps it is not out of place that one who has been endeavouring to represent the interests of that class which the member for West Calgary (Mr. Bennett) denominates the "common people" should have a word or two to say in this matter. For while the judges may find it necessary to accept the very meagre salary of $15,000 a year, it must be remembered that it is the "common people" who pay the bills.

Mr. LAPOINTE: Will my friend pardon me? He refers to judges receiving salaries of $15,000 a year. As a matter of fact only the Chief Justice of Canada is paid that salary. He also acts as administrator in the absence from Ottawa of the governor general, for which he does not receive any additional remuneration.

Mr. WOODSWORTH: Possibly the Minister of Justice would explain the nature of the functions exercised by the chief justice for which he receives an extra $5,000 as deputy governor general.

Mr. LAPOINTE: He takes the place of His Excellency the Governor General when the latter is absent from the capital as he is at the present time. While acting in that capacity the chief justice has to read over all the orders in council and sign them and to exercise the prerogative of mercy. I think my friend will admit that this is an important function.

Mr. WOODSWORTH: Of course I presume he is able to do this because his other duties are not too onerous. We have had the doctrine stated in this House very clearly that you cannot possibly attract legal gentlemen enjoying a lucrative practice without offering very large salaries. Now, Mr. Speaker, it is a rather deplorable condition if such men when needed for the service of their country refuse to render that service except in return for eight, ten or fifteen thousand dollars a year. We were told during the war that every man was expected to devote his time to the service of his country for $1.10 a day. For the life of me I cannot quite see why the service required from privates during war time should be so very different from that which is supposed to be rendered by men of high moral ideals during peace time.

The member for West Calgary suggests it is essential that work to be well done should be well remunerated. I agree with that principle. But I would point out that that is not the principle commonly applied to the everyday affairs of life. For instance, the average wage paid in Canada is less than $1,000 a year. Will anyone say that with the cost of living what it is to-day $1,000, a year is an adequate sum on which a man can bring up a family? The evidence given before one of our parliamentary committees last session was to the effect that an annual income of $2,200 was necessary to maintain an ordinary family according to recognized Canadian standards.

Why is it that we are asked on the one hand to give these comparatively large salaries to a few individuals on the principle that otherwise we cannot possibly attract the right class of men, and on the other hand to allow large numbers of people to live below the standards of a decent subsistence? It is easily accounted for, of course—these poor people are driven to accept what they can get. They do not take up carpentering, railroading, farming or any other work because they are attracted to it, but because

they cannot earn a living in any other way. It is quite possible that if the large salaries paid to lawyers could be cut down a little in the first instance some of them might be induced to become judges.

We are told that our judges have social and other obligations. Well, I have no objection to their trying to maintain as high a standard of living as possible, but I would point out that there are large numbers of people in this country who have not even the means to secure the common necessities and amenities of life. It may be all very well for the judge to live in a highly restricted residential area; but on the other hand I would urge that the ordinary workingman ought to be assured at least a decent cottage, if you like, where he can live with his family in comfort and send his children to school. It is said that a great deal depends upon the proper dispensation of justice; but if children are forced at a tender age to go out on the street to earn a living because of the abominable conditions in their homes and the low standard of living there prevailing, why, I would say that we are pursuing a policy that inevitably will make work for our judiciary. If it is suggested that it might be a good thing to do away with some of these undesirable conditions immediately we are told that that would be paternalistic legislation. That term paternalistic always amuses me. If this proposal for judges' pensions is not paternalistic,—the caring for these poor gentlemen who have to maintain social and other obligations,—I do not know what it is.

It is further stated by the member for West Calgary that we ought to give good salaries in order that judges may overcome the temptations incident to their position, that otherwise they might be induced to accept bribes for the subversion of justice. Well, it is only two or three years ago since we revised the Bank Act, and at that time representations were made to us that the bank clerks were living on such small salaries that they were not even permitted to marry. And yet those clerks hold fairly responsible positions. I think we might then have passed legislation to enable those men to form an organization which would secure to them adequate salaries. But no, we could do nothing for them, even although we were told that some of them by reason of their meagre remuneration were tempted to commit acts of theft. All I am asking for, Mr. Speaker,—and I am serious in this—is that we in this House should seek to legislate equally for the well-to-do and for the poor people of this country.

I cannot allow an opportunity of this kind to pass without urging that those of us who are trying to represent the common people and their interests must not permit legislation of this kind to go through without calling attention to the special pleas that have been advanced, and the principles that have been enunciated. I would say that when other cases come up these hon. gentlemen in ordinary fairness, ought to recognize that they should be decided according to the selfsame principles which they have been advocating in this chamber. It is of course quite understandable that if many lawyers receive emoluments amounting to $10,000, $20,000, $30,000, $40,000 or $50,000 a year, they would hesitate to take the smaller remuneration offered to judges. But that is only the beginning of the question. Again I would ask seriously why lawyers who are in what the labour men would call a union, a closed shop, should be permitted to receive such large salaries. I know it is very desirable that they shall maintain certain social standards and all the rest of it, but the point is that they are allowed to receive these large salaries and to maintain these social standards because of laws which are placed upon the statute books by this parliament and because of certain privileges which are granted to the legal profession in this country. I do not quarrel with them for trying to maintain high standards, but again I ask: Why should they unite with others to prevent other classes in the community from obtaining even the moderate standards which would quite satisfy most of them?

The hon. member for West Calgary made special reference to the men "who toil with their hands," and suggested that they ought to have a great deal of confidence in the judges. I am tempted for a moment to suggest that it is not by giving judges large salaries that you are likely to secure the confidence of those men who toil with their hands. One of the fundamental difficulties with laws to-day is the fact that those who make the laws, those who administer the laws, and those who sit on the bench are so far removed in their manner of life and indeed in their whole conception of life from the ordinary people that they are thereby almost disqualified from judging a case where on the one hand there is the ordinary man on the street to whom reference has been made, and on the other, the big corporation.

Mr. BENNETT: I am sure the hon. member with his classical education will remember that Justice is always pictured as being blind.

Mr. WOODSWORTH: Quite so. But I think in quite another sense than that intended by the classical authors, justice is often blind, blind to a whole range of the newer factors that have developed in our modern life. I must not go back to the old age pension debate. In the viewpoint that was advanced by some hon. members in connection with that debate, we had an illustration of my point. Hon. members urged the encouragement of thrift at a time when the older ideas have necessarily passed away because of changed conditions that prevail in our modern economic life. A judge might urge thrift in the old way. There are those who still urge that the employer ought to have a paternal relation to his employee, absolutely ignoring the fact that under modern conditions there is very little of the close personal touch that once existed between the employer and the employee. As Carlyle said many years ago, there is only a "cash nexus" uniting them. It must be recognized that under modern conditions a man passes from one occupation to another until before he has reached the age of sixty-five he has perhaps been in hundreds of different occupations. Many of the gentlemen who by their manner of life are so far removed from the ordinary people, seem to be absolutely incapable of understanding the struggles of the poorer people in our community.

Mr. BENNETT: Most of them were poor once.

Mr. WOODSWORTH: The hon. member may have been poor once and underlying that is another fallacy to which I might well call attention. Because the hon. gentleman may have been poor once, because he may have struggled upwards and by his ability shoved his way into positions, or because he may have had certain privileges which others have not enjoyed, or because he may have been more fortunate in this, that or the other way, he thereby quietly and in a self-satisfied way assumes that it is all coming to him. I want to challenge that statement and the underlying position. In the first place we must remember that since most of us were children the pioneer days have passed, and under modern competitive conditions it is not so easy as it was in the days of our childhood, for a man to make his way. We must remember that we older Canadians who have had a chance in this country, have had it because we were, as we say, on the ground floor, and the newer immigrant who arrives has nothing like as good a chance as those who were here at the beginning or whose fathers were here before us. I do not want any of us to forget that we have had special privileges, and many gentlemen to whom wealth has come forget that they have obtained their wealth because of organized society and because of the coöperative work of thousands of their employees. It is merely an accident that now, because of the present conventions they have been able to claim as their own a considerable amount of that wealth.

If the hon. gentleman wants quotations, I would like to refer him to one whose authority he would recognize. I refer to Mr. Keynes in his introduction to the Economic Consequences of Peace, a gentleman whose writings I have no doubt the hon. member for West Calgary has read and who very clearly points out the vast changes that have come in the last few years. But some of these gentlemen have been so far removed, not intellectually alone but in their whole manner of life, that they can hardly realize the real needs of many of the struggling masses of the common people. I think it was Marie Antoinette who, when told that the people could not get bread to eat, asked why they did not eat cake. Many of our judges are almost as innocent of the real life of the people as was Marie Antoinette. They would reply: If they cannot get bread to eat, why do they not eat cake? There should be some valid reason why judges should be so far removed from the ordinary pepole. It is all very well to talk about justice in the abstract. In this House we very frequently hear the expression used: "Every legal gentleman ought to know"; I would vary this and say that even my lawyer friends ought to know that abstract justice does not get us very far; that in the consideration of any case the concrete relationships that exist at the present moment are the considerations that decide the case. When we come to the question of justice there are many new conditions that have developed in recent years and that must be taken into consideration.

Reference was made, as I said, to the necessity of maintaining the confidence of the men who toil with their hands. The very reason that the men who toil with their hands are losing confidence in the decisions of the courts lies in the fact that the justice which is given in the courts is very often a one-sided justice, a justice based upon the status quo, upon a well defined system of society, and really inadequate to meet the needs of the present day. If I might take as an illustration the conditions existing in the time of slavery in the southern states, the white judge who sat on the bench could easily dispense justice but it would not particularly appeal to the

slave. The justice that he would be dispensing would be the justice that permitted slavery as an institution and which made the state responsible for the maintenance of that institution.

Many men who toil with their hands are now beginning to question the very foundations of our social order, and those who are placed in positions of responsibility are not going to maintain the confidence of the masses of the people unless they realize the changed standard of ethics that are gradually developing in the minds of the masses of the people.

There is just one other suggestion that I would like to offer to the minister. It does seem to me that when this act which seeks to amend the Supreme Court Act is brought forward the minister might very well remember the Imperial conference. Since Canada is acknowledged to be of equal status with Great Britain I do not see why we should not have the final decision of all cases made here in Canada. Surely the gentlemen who qualify in accordance with the very high standards and ideals set for them to-day should be able to decide even the most complicated and serious cases which come before our courts, and I cannot see that there is any necessity at present for appeal to a final court in Great Britain. I would respectfully submit to the Minister of Justice that it might have been well if he could have included some sort of an amendment looking towards this result.

Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, I do not desire to delay my own legislation, but I feel it incumbent upon me to say a word or two in regard to an aspect of the question which has been considerably discussed during the debate; that is, the salaries of the judges. I did not want to discuss it to-day, but in view of certain statements which have been made I wish to quote certain statistics, because the question will certainly come before the House if not this year then within the next two or three years. I might say that during the recent months I have received resolutions adopted by various bar associations and other bodies in Canada urging the advisability of increasing the salaries of the judges, and when my hon. friends are studying this question for future discussion they may find that the statistics I am about to give will help in reaching a decision.

I have no fault to find with the hon. member for Winnipeg North Centre (Mr. Woodsworth) except when he says that all the lawyers fail to appreciate the difficulties of the other classes. My hon. friend and other members of labour organizations and other bodies in Canada have been urging that the conditions of their own professions or employments should at least be equal to the conditions of the same professions or employments in the other countries of the world. So I think my friend will admit that there should not be cheap labour in the judiciary of the country any more than there should be cheap labour in the industrial world, and that what is paid the judges elsewhere should be paid the judges in Canada. That should apply as well as the principle that the wages paid railway employees or other members of labour organizations elsewhere should be paid to the same classes in Canada.

Mr. WOODSWORTH: Following that argument, I wonder if the lawyers would consent to the introduction into this country of twice their present number from England or the United States?

Mr. LAPOINTE: I do not quite see the relevancy of the question, but I think they would be willing. The bar association of any province is not a close corporation as my hon. friend seems to intimate; all those who can qualify for admission are welcome to join that association.

Mr. STEVENS: If those lawyers came into Canada from England or the United States they would probably starve.

Mr. LAPOINTE: Possibly. In our sister dominion of Australia, with a population smaller than that of Canada, the chief justice of the federal high court receives a salary of £3,500, or more than the chief justice is paid in Canada, and the six judges receive salaries of £3,000, or $3,000 more than the judges in Canada. In South Africa, which is a younger dominion, the chief justice of the appellate division receives a salary of £3,000; of the four judges one receives a salary of £2,750, two receive £3,000 and one a salary of £3,250. In the Irish Free State, where conditions surely are not superior to those existing in Canada, the lord chief justice receives a salary of £4,000; the president of the high court receives £3,000; two judges of the supreme court are paid £3,000, and five judges of the high court receive £2,500. In Northern Ireland, where the population is not very large, the lord chief justice receives £5,000, and no one seems scandalized about it; two lord justices each receive £4,000, and two justices are paid £3,500. In the United States of America the chief justice of the federal supreme court receives $20,500, and the eight associate justices $20,000. In the state of New Jersey, with a population of a

little over 3,000,000, the nine judges of the high court receive a salary of $18,000; in the state of Pennsylvania, where the population is a little less than 8,000,000, the judges receive a salary of $17,500; in Illinois, with a population of over 6,000,000, they receive $15,000; in the state of New York, with a population of over 10,000,000, they receive a salary of $13,700; in Massachusetts, $12,000; in California, $10,000, and so on. In England, as the hon. member for West Calgary (Mr. Bennett) has stated, the salaries range from £5,000 to £10,000, and even when there was a government in England headed by my good friend Mr. Ramsay MacDonald, if I may so call him, no one ever attempted to decrease the salaries because after all they must be based on conditions as they exist. You must pay the men whom you want to accept judicial positions salaries which, if not equal to what they are earning in private practice, are at least not very much inferior.

It was not my intention to discuss this question at all to-day, but in view of the statements which have been made I thought it well that I should deal with the subject a little, because it is bound to come up for future discussion at another time. So far as this bill is concerned, I am glad at all events that we all agree that everything must be done to make the Supreme Court of Canada a strong tribunal, and I agree with the hon. member for St. Lawrence-St. George (Mr. Cahan) that the best way to restrict appeals to the Privy Council is to make sure that litigants in Canada will have confidence in our own Supreme court. I am sorry the hon. member for St. Lawrence-St. George does not agree with me on the age limit; I will admit that there is ground for a difference of opinion in that matter. I can assure my hon. friend that only after serious consideration and after having discussed this matter with many people who have a deep interest in strengthening the Supreme Court of Canada, did I take it upon my responsibility as Minister of Justice to introduce this bill. I quite agree with my hon. friend that there are eminent judges who are wholly qualified to act as such after they have reached the age of seventy-five years, but as the hon. member for West Calgary (Mr. Bennett) has said, they are rather the exception. May I quote to the House the words of a man who has been Secretary of State in the United States, Mr. Chief Justice Taft, concerning this very question. In a book entitled Popular Government, at page 158, he writes:

> Congress has passed a law providing that all federal judges may retire after a service of ten years, upon attaining the age of seventy. The law is in form not compulsory because I presume it was thought doubtful whether congress had any power to retire judges, even though they continue the full salary as a life pension.

The constitution of the United States makes the tenure of office of a judge there during good behaviour, and congress has no right to make it compulsory.

Mr. CAHAN: That applies to federal judges only.

Mr. LAPOINTE: To federal judges only. Chief Justice Taft goes on to say:

> I think the absence of power in congress to do this is a defect. There is no doubt that there are judges at seventy who have ripe judgments, active minds, and much physical vigour, and that they are able to perform their judicial duties in a very satisfactory way. Yet in a majority of cases when men come to be seventy, they have lost vigour, their minds are not as active, their senses not as acute, and their willingness to undertake great labour is not so great as in younger men, and as we ought to have in judges who are to perform the enormous task which falls to the lot of Supreme court justices. In the public interest, therefore, it is better that we lose the services of the exceptions who are good judges after they are seventy and avoid the presence on the bench of men who are not able to keep up with the work, or to perform it satisfactorily. The duty of a Supreme court judge is more than merely taking in the point at issue between the parties, and deciding it. It frequently involves a heavy task in reading records and writing opinions. It thus is a substantial drain upon one's energy. When most men reach seventy, they are loath thoroughly to investigate cases where such work involves real physical endurance.

Well, this is the opinion of a man of great experience, and really it should have much weight with those who consider the question at issue here. My hon. friend has alluded to the Imperial conference with regard to appeals to the Privy Council. I think I will wait until that debate comes on to make a few comments on his remarks, if he will permit me to do so.

Mr. LADNER: May I ask the minister a question before he takes his seat? There is an impression in western Canada—I know it exists in Saskatchewan and British Columbia—that either this bill or some other proposed legislation will make the retirement of county court and Superior court judges automatic attaining the age of seventy-five. I think the minister should make a statement on the subject, because letters and petitions have been circulated with respect to it. Perhaps many members have received communications; I know that I have.

Mr. LAPOINTE: That is a mistake. I dealt with the matter referred to when the resolution was in committee. We have no power to interfere at all with the judges of the Superior courts.

Mr. STEVENS: That is the provincial courts.

Mr. LAPOINTE: Yes, provincial courts.

Mr. CAHAN: Would it not be opportune for the minister to explain to the House in what respect chapter 29 of the statutes of 1922 is not efficient for the purpose of removing judges who really, at any age, are physically or mentally unfit to perform the duties of their office?

Mr. SPEAKER: I think that is a matter which might be dealt with more properly when the House is in committee. Is it the pleasure of the House to adopt the motion?

Motion agreed to and the House went into committee on the bill, Mr. Marcil in the chair.

On the preamble.

Mr. CLARK: I think I can make my remarks, which have to do with the number of judges, on the preamble. I cannot say that I am in agreement with the increase proposed. I am open to conviction in the matter, but I can see no reason why any court should have seven judges. I am in full agreement with the principle of paying judges adequately. Nothing could be sounder than that, but I do not think it is necessary to tax the resources of Canada for the services of another judge. I see serious objection to a court of six judges, if six sit, and what I should like to propose to the minister is that there should be a provision that an unequal number of judges should sit—that is that five judges should sit.

Mr. GUTHRIE: Or seven.

Mr. CLARK: Or seven if there are seven. With a court of six judges five could sit and the extra judge write judgments in cases that have already been heard. That would meet the observation of my hon. friend from West Calgary (Mr. Bennett) that there are too many judgments written in the various cases that come before the courts. If one of the judges in each case was detailed to write the judgment for the court, the court could approve that judgment and—

Mr. LAPOINTE: That is what is largely done at the present time.

Mr. CLARK: It is not done in all our courts.

Mr. LAPOINTE: It has been done for the last few years, I think.

Mr. CLARK: If that course is followed so much the better. In any event there is a real objection to having an equal number of judges sit. As an illustration I might cite a case which happens to be one of my own experience but still is more or less typical of what occurs. In this case I succeeded in the trial court. It was taken to the Court of Appeal of British Columbia. There were four judges sitting, and on an equal division of that court I won my appeal. The other side appealed to the Supreme Court of Canada. I entered a motion to quash the appeal, because in my opinion there was no jurisdiction on the part of the Court of Appeal of British Columbia to give leave to appeal. My motion to quash was heard before the Supreme Court of Canada, and by an equal division, three to three, I lost. The court then decided against hearing the merits of the appeal because there were three judges who must necessarily dismiss the appeal because in their opinion the court had no jurisdiction to hear it. The appeal was therefore dismissed and I won after three equal divisions. Now I think this illustrates a serious defect in our judicial system and that we should provide against an equal number of judges sitting in our courts.

Mr. LAPOINTE: Does not my hon. friend think that will be remedied to a large extent now, because in cases where the bench feel there ought to be a full tribunal there will be seven instead of six judges sitting?

Mr. CLARK: I would say no, because with seven judges there will always be somebody sick or somebody perhaps unavoidably away, and in a very large number of cases there will not be seven judges sitting. I see it in my own province, in the court of appeal. There are five judges, and I give them full credit for their attention to their duties, but very often there is an equal number of judges sitting, or not a full court. I would like to see a provision introduced into this act which would make it obligatory that an unequal number of judges shall sit. If the number is retained at six, that objective can be accomplished. Five will nearly always be available, and the extra judge can be engaged in writing judgments.

I think the minister will probably point out that it is the desire that the different parts of the country be represented on this

court. I have the same desire that he has to see the different parts of the country represented. That is important in one sense, but in another sense it is of no importance at all because the laws of Nova Scotia, New Brunswick, and Prince Edward Island are practically the same as the laws of British Columbia or of the prairie provinces, with the exception of the statute law of the various provinces. That statute law is easily available to the court. The statutes are all collected here, and there is nothing easier than for the judges to look them up. The common law is the same in all the provinces. If it is the desire of the government that the various parts of the country be represented. that desire could be met by appointing, as vacancies occur, judges from different parts of the country, passing the appointments around, so to speak, so that Canada as a whole would be properly represented on this court.

Preamble agreed to.

Sections 1 and 2 agreed to.

Bill reported, read the third time and passed.

EXCHEQUER COURT ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 140, to amend the Exchequer Court Act.

Motion agreed to, bill read the second time, considered in committee, reported, read the third time and passed.

JUDGES ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 139, to amend the Judges Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

On clause 1—Salaries.

Mr. RYCKMAN: I am quite in accord with those who think that our judges should be well paid. If they are not, they cannot be got to serve, because no man, whether he be in this House or on the bench, is inclined to take very much less than he can earn. I think there is a great discrepancy between the salaries proposed to be paid under this act to the judges of the Exchequer court and the Supreme court, and those now paid to the judges in the appellate division of the Supreme court of Ontario. This Dominion, I understand, pays the ordinary judges of the appellate division in Ontario $3,000 less than they pay to a deputy minister. That is not right, Mr. Chairman. I believe in economy, in rigid economy, but—

Mr. LAPOINTE: Does my hon. friend speak of the county court judges?

Mr. RYCKMAN: No, I am speaking now of the members of the appellate division of the Supreme Court of Ontario.

Mr. LAPOINTE: Surely they are not paid $3,000 less than the deputy ministers.

Mr. RYCKMAN: They are paid $3,000 less than is paid to a deputy minister, because the ordinary run of salary for a deputy minister is $10,000.

Mr. LAPOINTE: No, $8,000.

Mr. RYCKMAN: Some get $10,000.

Mr. LAPOINTE: I think only two get $10,000.

Mr. RYCKMAN: More, I think. This Dominion of Canada pays to these gentlemen who sit on the bench, and whose great solicitude it is to measure out intelligent and even-handed justice, a salary of $7,000 per annum.

Mr. LAPOINTE: It is $9,000.

Mr. RYCKMAN: Not by this government.

Mr. LAPOINTE: Yes. With the last increase made two or three years ago they are paid $9,000, and $1,000 more from the province.

Mr. RYCKMAN: I do not know that we should take the benefit of that, because that $1,000 is paid for other services specially rendered.

Mr. LAPOINTE: I quite agree with that.

Mr. RYCKMAN: The salaries of the judges have been commented upon this afternoon. We must, in common with all thinking men, realize that it is a question of what a man is worth in the market of judges or of the law, if I may put it that way. All who are familiar with the conditions know that these gentlemen who are appointed to the bench and are giving their service to the country—and it is a most painstaking service—would be able, if they were not serving the public, to receive very much more through the application of their ability in offering their services to other interests. I wonder if anyone who has had a case in court has felt himself shackled and his interests prejudiced by the fact that the judge who was to try the case, although probably a very

fine man indeed, was not sufficiently mentally equipped to try the case intelligently; in other words, that the government of the country, in making the appointment, had not selected a man who could qualify properly for the position of a judge. I must say that I think in Canada those cases are few. But we are all familiar with the fact that those cases do exist in our courts, and the only way in which the best men will be got in these important positions—than which in my opinion there is none more important—will be by offering a sufficient return to the gentlemen whom we ask to serve. While anxious for economy and to curtail expenditure, I believe those who unfortunately have to go to court would feel that the government itself was acting in the best interests of the public if they increased the salaries of the judges and appointed to these high positions only the very best men obtainable.

The large fees and emoluments received by lawyers have been referred to this afternoon. I know of a case, although not in law, where an engineer was paid a salary of $1,000,000 a year. The people who employed him were glad to pay him that money because he was worth it. I know of other engineers who have received salaries of $50,000, $60,000 and $75,000. Those cases have come within my own knowledge. What is the reason these large salaries are paid? It is simply because the gentlemen concerned can command them. Their services are wanted and they are offered at a price. If you do not wish to retain them you need not do it. It is a question of the condition of the market in relation to that particular matter and walk in life. That being so, there should be no objection raised to the payment of a reasonable salary to our judiciary. I submit that our judges today are not paid what this Dominion of Canada can afford and what the Dominion would be well justified in paying if it wanted to provide for the needs of the people in the best manner possible so far as their relations with the courts are concerned.

Mr. HAY: I do not entirely agree with the hon. member who has just spoken. I do not say that it is a good thing to commercialize the position of the judges. In other words, I do not believe it is a question of supply and demand. I do not believe either that the people of Canada will censure this government for providing adequate salaries so that qualified and competent men will be members of the judiciary of Canada. I am not a lawyer and do not speak as a lawyer. The people themselves were quite content in years gone by with the judiciary and had a great deal of confidence in the judges of Canada. I do not think that the question of salary will always bring to our services perhaps the men we desire, because occupation creates a desire as well as the salary. But there may come a limit to the salaries which we can offer in this country, and at the present time, for the salary mentioned, $15,000, I think we would be able to find many capable lawyers with all the qualities of a real first class high court judge who would be willing to serve.

I listened attentively this afternoon to the hon. member for St. Lawrence-St. George (Mr. Cahan) and also to the hon. member for West Calgary (Mr. Bennett). The hon. member for St. Lawrence-St. George combed all America and all Europe for very able men and women, keen of intellect and of great service to the community in which they lived, who had gone beyond the age limit. Our county court judges deal with minor cases, and when the act we recently passed becomes law it will apply to them. There ought to be no reflection on any man or woman in Canada on the score of age, but when we find that the minor court judges are required to retire from active service at the age of seventy-five, I think that provision ought surely in all fairness to apply to high court judges as well. We must all respect the judiciary of Canada, and we do. Fortunately or unfortunately we sometimes have to reflect on whether their appointment was by a Conservative government or a Liberal government, but I think in the Dominion of Canada we must congratulate ourselves on the high standing of our judges throughout the whole country and also in the Supreme Court of Canada at Ottawa. Many young men are coming forward in Canada who will be anxious to fill these positions which will be vacant before very long, and while I have no doubt the Minister of Justice will give every consideration to the suggestion made by his friends and also by those who sit on the opposite side, it is our desire and the desire of the country that the minister will take into consideration the appointment of lawyers of high standing in Canada, so that the judiciary may be respected, as we have had great respect for the judges throughout Canada in years past.

Mr. MARCIL: I have no objection whatever to the present bill. I have had to do in the past with the question of increases of salary of some of the judges. Public opinion in my province is that when a judge has served on the bench a term of years and becomes mentally and physically incapable of

further service he should be entitled to a pension. We have in the province of Quebec a number of judges who have taken up other occupations and are still in receipt of pensions from this government. That has occurred by virtue of certain laws enacted by this parliament and which we have discussed over and over again. I think when the Minister of Justice again takes up this subject he should provide that in the superior courts of Quebec a pension will be allowed to a judge only when he is physically or mentally unable to act, not to one in enjoyment of all his faculties and who retires in order to take up some other remunerative calling. That is the grievance of the people in my province, and I have heard it voiced on this floor. Indeed, we have such cases at the present time.

Mr. LAPOINTE: I think the condition my hon. friend refers to has been already met. In 1919 it was enacted:

That no annuity shall be granted to any judge under the provision of section 19 or 24 unless the governor in council is of opinion that it is in the public interest that such judge should resign his office.

Prior to that, a judge after a certain length of service had the right to retire and receive his superannuation unconditionally. Now it is in the discretion of the governor in council either to grant or refuse such a request.

Mr. MARCIL: Is it open to a judge who retires to take up some other profession, such as a university professorship, at a salary?

Mr. LAPOINTE: If he is still able to take up other work I think his request for retirement would be refused.

Mr. MARCIL: That is the abuse to which the people of my province object.

Sections 1 and 2 agreed to.

Bill reported, read the third time and passed.

CANADIAN NATIONAL RAILWAYS

FRIEGHT RATES TO BE CHARGED ON EASTERN LINES

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee to consider the following proposed resolution:

Resolved,

1. That it is expedient to bring in a measure respecting the tariff of tolls to be charged on certain lines of railway now operated as a part of the Canadian National Railways and situated within the provinces of New Brunswick, Nova Scotia and Prince Edward Island, and the lines of railway similarly operated in the province of Quebec extending from the southern provincial boundary near Metapedia and near Courchesne to Diamond Junction and Levis.

2. That for accounting purposes the revenues and expenses of the said eastern lines shall be kept separately from all other accounts respecting the construction, operation or management of the Canadian National Railways, and in the event of any deficit occurring in any fiscal year in respect of the eastern lines, the amount of such deficit shall be included in a separate item in the estimates submitted to parliament for or on behalf of the Canadian National Railways at the first session of parliament following the close of such fiscal year.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. DUNNING: Mr. Chairman, this is the financial resolution preceding the introduction of a bill respecting maritime freight rates. It is quite usual for a discussion of the whole matter to take place on such a resolution, but I wish to suggest to the committee that in this case it will be much more convenient for members if the discussion is deferred until the bill is introduced. This I hope to do immediately and to have it distributed later on for second reading in order that the members of the committee may have before them the complete scheme proposed before they discuss it. It will then be possible to deal with the scheme much more intelligently than upon the resolution itself, which of course deals only with the financial part.

I should say, however, and I have no doubt it will be noticed, that financial provision is made only for the Canadian National Railways. Of course my attention has been called to the fact that in the report of the royal commission headed by Sir Andrew Rae Duncan the following occurs at page 23:

We are not overlooking that the other great railway system operating in the area would be entitled to equitable consideration if they find themselves prejudiced as a result of the reduction proposed.

The other great railway system referred to there, of course, is the Canadian Pacific. The Duncan report does not so state, but nevertheless it is a fact that there are several railways within the area referred to in addition to the Canadian National and the Canadian Pacific lines. This creates a problem for consideration, and at this stage I desire to say that the government agrees entirely with the principle set out in the sentence which I have just read from the Duncan report. I hope as the bill proceeds further to be able to introduce a provision satisfactory to the House and equitable in its terms which will ensure that other railways within the area will not be prejudiced as a result of the

operation of the proposed legislation. Of course, I may require to introduce a new financial resolution in order to bring that about, but whatever form may be necessary we can deal with later. I am merely advising the committee now that it is the intention of the government to make provision in that regard.

Mr. GUTHRIE: The minister speaks of other railways. I suppose he refers to the St. John Valley railway and the Kent railway. Are there others?

Mr. DUNNING: Yes. The St. John Valley railway is now under lease to the Canadian National, and presumably would be included in any arrangement made for the Canadian National. The other lines that I have in mind are the Inverness railway—now under lease—the Quebec Northern, the Quebec Oriental, the Quebec and Northwestern, and another railway the name of which I forget. It runs up the Matane.

Mr. MARCIL: The Matane railway.

Mr. DUNNING: There may be others, but these are the railways which are directly affected as being within the area dealt with in the Duncan report. My hon. friend will, I am sure, recognize the difficulty of providing adequately and fairly for a condition such as that. It is now being carefully gone into and applies, as I say, not only to the Canadian Pacific but possibly to several other railways. The position is further complicated by the fact that these local railways now have special tariffs approved by the railway board, but which are higher than the prevailing rates in the territory concerned. That again adds emphasis to the difficulties of drafting a section which can be placed in the law and which will deal properly with this complicated matter. I hope, however, before the bill gets through the House, to be able to produce something which will be satisfactory. In the meantime if it is possible to defer discussion upon the whole question of maritime freight rates until that scheme is before the House in the printed bill that will, I am sure, facilitate the matter being dealt with.

Mr. GARDINER: Does the minister wish to give any information to the committee as to the probable cost of this proposed scheme?

Mr. DUNNING: To some extent that will depend upon the financial provision for railways other than the Canadian National, but as regards the Canadian National the provisions of the bill will involve approximately $2,000,000. I do not want to be too positive with respect to a figure for the reason that it depends somewhat upon the volume of traffic in any given year.

Mr. GARDINER: The minister has stated that in order to complete what they have in mind, it will be necessary to include some other lines which are not included in this resolution. I would suggest to him that instead of going on with this resolution, it should be taken off the order paper and that the whole proposition should be included in one resolution so that, when the bill is introduced, the House will know exactly what we are facing.

Mr. DUNNING: I adopted this procedure really with the object of facilitating matters before the House. It was not proper to discuss with other parties who might be affected legislation which was in course of preparation, and until notice of this resolution appeared on the order paper, the other parties affected had no opportunity of discussing fully with the government the effect upon their railways or upon their business. It must be remembered that in the report itself there is this statement:

> We are not overlooking that the other great railway system operating in the area would be entitled to equitable consideration if they find themselves prejudiced as a result of the reduction proposed.

My hon. friend can well understand that when this resolution appeared on the order paper, other parties commenced to make representations to the effect that they were prejudiced. At that time it was necessary to choose between placing the principle of the matter before the House as soon as possible, and withholding the whole matter in the manner now suggested by my hon. friend, until that could all be ironed out. I might state that this resolution constitutes by far the larger financial burden, very much greater than any addition to it can possibly be. The bill itself, together with the statement which I am now making about the necessity of taking care in some way of the other situation, has the effect that my hon. friend desires, namely, of putting the whole matter before the House, and I think I can promise him that before the bill reaches second reading the proposed amendment in that regard will be available. In that way I hope to facilitate discussion and the passage of the measure through the House.

Mr. GARDINER: In view of the fact that the Duncan report has been for such a long time in the hands of the minister and

the members of this House, I should have thought the minister would be well aware of the possibility of prejudice to the other railway system by proceeding along this line, and he would be eager to find out just to what extent that prejudice would apply. It is unfortunate, I think, that he has introduced the resolution in this form. I would like to have seen the whole matter included in the one resolution, because this means simply that we shall be adding to the provisions of the bill piecemeal while it is passing through the House and the House will not know what we are dealing with until the bill is finally through. In view, however, of the fact that the minister has stated that before the second reading this matter will be cleared up, and all particulars will be before the committee, perhaps it is just as well to acquiesce in his request.

Mr. DUNNING: I do not want to obstruct my legislation, but my hon. friend apparently does not quite grasp the predicament in which the minister finds himself in connection with drafting legislation of this kind. To leave the door open and simply to invite the Canadian Pacific or any other great railway corporation to come in with you and help you to draft a statute is not the proper way to proceed. The Canadian Pacific or any other of these railways affected by this legislation had no intimation of what was contained in this resolution until it appeared on the order paper and the method of dealing with the Canadian National and the Canadian National alone became public. If one proceeded on any other basis I am afraid only confusion would result, and in any case it is not the part of wisdom for a minister of the crown to discuss with interested parties proposed legislation prior to its outline being presented to the House.

Mr. GARDINER: I think the minister has taken very weak ground. I did not for one moment intimate that the minister would approach all these railway companies to find out whether they were likely to be prejudiced or not. The report of the Duncan commission makes certain recommendations, and the minister when he read that report must have known whether it would affect all the railway companies doing business in that area.

Mr. DUNNING: That is quite right.

Mr. GARDINER: He has in his department officers who could have given him the information whether or not these other railways would be prejudiced under this recommendation.

[Mr. Gardiner.]

Mr. DUNNING: That is where my hon. friend is wrong.

Mr. GARDINER: Does the minister now say that he has no means through his department of getting that information?

Mr. DUNNING: Nor through any other department of getting any accurate information as to the extent to which other railways would be affected by this recommendation of the Duncan commission. That is one of the difficulties we faced in drafting the legislation.

Mr. EVANS: I am rather surprised that the government has seen fit to implement one part of the Duncan report in this way. When we appointed the Duncan commission to inquire into maritime conditions, they evidently found some underlying cause for the hard times in those provinces. The government by taking the report up piecemeal in this way has already given the House the impression that it has in toto accepted the recommendations of that report. I would rather, before dealing with the report piecemeal in this way, have had an opportunity of discussing the maritime report in its entirety and of finding out the real cause of conditions in the maritime provinces.

Mr. GARDINER: It is proposed to bring down in different pieces of legislation the remedies for the situation existing in the maritimes. Will the government agree that on any one of those pieces of legislation which might be accepted on all sides, a full discussion of the maritime report will be permitted?

Mr. DUNNING: I feel sure if an agreement can be reached as my hon. friend suggests, the government will have no objection to a discussion on the maritime report. That must of course be a matter of arrangement between the various groups in this House. The government has no hesitation in saying that it has no desire to avoid a discussion of the Duncan report, except in so far as discussion of the report as a whole overlaps discussion of the legislative measures which are necessary to implement the report and which are coming along from the various ministers concerned, I have no doubt that if such an arrangement is desired it can be made, and I will direct the matter to the attention of the Prime Minister if my hon. friend so desires.

Mr. GARDINER: I think it would be desirable to discuss the report in full, and as I have stated before, under the method proposed by the government in bringing down these resolutions the House would be de-

barred from discussing the Duncan report in full. If we can select one piece of legislation on which the entire report might be discussed I think it would satisfy all parties in the House and would meet the situation at the same time.

Mr. CAMPBELL: I agree with the other speakers that it is highly desirable that the House be given an opportunity to discuss this report in its entirety. There is no particular recommendation which can be considered apart from all the recommendations, and as far as I can see we can only discuss the whole thing together with clarity. I think the minister would be well advised if he permitted this resolution to stand until we are given a chance to discuss the whole question. I notice that the resolution suggests that provision be made to keep the accounts of the eastern section of the Canadian National Railways entirely separate, and I just wonder if the officers of the department or of the company consider that this can be properly done. The minister is probably aware that in various committees of the House and at different times the officers of the Canadian Pacific Railway made it clear that it was practically impossible for them to keep separate accounts for the different divisions; that is, properly to proportion all the costs of the terminals, the rolling stock and the labour which are switched from one division to the other. These officials made it clear that it was practically impossible to allocate these costs to the different districts. I wonder if the officers of the railways in this case think it will be possible to keep the accounts entirely separate.

Mr. DUNNING: I am afraid I cannot agree with my hon. friend with respect to the desirability of letting this resolution stand until a general discussion on the whole report takes place. I am attempting to deal with a specific matter, a specific recommendation for which particular reasons are given in the report, and while it may interlock with the rest of the report, as all economic matters do interlock, nevertheless it is an intensely practical part of the report. I am taking this method of placing before the House a complete scheme to deal with the freight rate recommendations; this bill will be before the House as soon as I am permitted to introduce it, based on this resolution. I submit, Sir, that the House will be in a position to discuss the freight rate recommendations of the Duncan commission much more intelligently if they have before them on their desks the means by which this government proposes to carry out that resolution, much more so than would be the case if we merely discussed the form of the recommendations contained in the report. It is one thing for a commissioner to recommend certain things to be done, but it is quite another thing to set up the often very complicated machinery to accomplish that end, taking into account all the factors which the commissioner had in mind in reaching his conclusion. If the House will permit this resolution to pass and wait until the bill is placed before the members, as will be done between now and early next week, everyone will then have full information as to the proposals of the government implementing this particular recommendation of the commission.

Mr. CAMPBELL: In view of the explanation just given I will withdraw any opposition I may have expressed to the resolution. In that way I will make it clear that I am not opposing the measure itself, my only thought being that it would be much better to consider the Duncan report as a whole.

Mr. GUTHRIE: I am entirely in accord with the proposals of the minister; we want to expedite this matter in every way, and I think we can have a far more intelligent discussion when the bill is introduced and we have the various proposals before us than we could have if we merely discussed the resolution. I think it will save time and will lead to a better discussion if we let the resolution pass and discuss the bill.

Mr. GARDINER: I would not like the House to conceive the idea that we desire to hold up a proper discussion of this legislation; we desire to expedite the business of this House in common with all other groups, but I must repeat that I hope the government will see its way clear to give the House an opportunity of discussing the Duncan report in full, and I trust the leader of the opposition will approve of that suggestion. There are many things contained in the Duncan report which naturally will not come within the scope of the legislation proposed by the government and consequently members of the House will be debarred from discussing these particular points unless it is agreed between all parties that an opportunity for such discussion will be given. If the minister will assure the House that we will have that opportunity there will be no objections. Personally I am quite willing to let the resolution go through now.

Mr. GUTHRIE: Even if no such assurance is given that opportunity still remains; the government cannot control us to the extent

suggested by my hon. friend. If we so desire we can bring up this matter in any form on the motion to go into supply, but I think the measures in the report can be more intelligently discussed as we come to them.

Mr. EVANS: Since the Duncan report has been in our hands for some time and since this commission was appointed to find out what is wrong with the maritime provinces, I would ask if the government have come to the conclusion that the railway rates are all that is wrong there. If not, why do they pick out this one recommendation and bring it before us in this way?

Mr. DUNNING: The Prime Minister made a statement—my hon. friend surely could not have read it—in which he dealt with the whole report, and a number of the measures recommended in it in addition to the one now before us are now on the order paper ready to be proceeded with. I simply happen to be the unfortunate minister having the first of these measures in hand, and as to the order of importance I feel sure that some of my friends from the maritimes regard the question of freight rates as possibly the most important.

Mr. EVANS: I would point out to the minister that this House has never discussed the statement of the Prime Minister, and that we have not come to the conclusion that this question of freight rates is the cause of the whole trouble.

Resolution reported, read the second time and concurred in. Mr. Dunning thereupon moved for leave to introduce Bill No. 224, respecting the Canadian National Railways and the tariffs of tolls to be charged on certain eastern lines.

Motion agreed to and bill read the first time.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 69, respecting Dominion Electric Protection Company.—Mr. Marcil.

Bill No. 81, for the relief of Amy Humphrey Lowe.—Mr. Rennie.

Bill No. 82, for the relief of Erik Herman Delling.—Mr. Young (Toronto Northeast).

Bill No. 83, for the relief of Samuel Stanley McNeely.—Mr. Lang.

Bill No. 84, for the relief of Edna Mary Stevens.—Mr. Jacobs.

Bill No. 85, for the relief of Beatrice Maude Cammell.—Mr. Ryerson.

Bill No. 86, for the relief of Stanley Moorhouse.—Mr. Casselman.

Bill No. 87, for the relief of Blanche Evelyn Parkinson.—Mr. Jacobs.

Bill No. 88, for the relief of Lillian Franklin Boddy.—Mr. Stinson.

Bill No. 89, for the relief of Minna Louise Bryant.—Mr. Edwards (Ottawa).

Bill No. 90, for the relief of John Thomas Fray.—Mr. Casselman.

Bill No. 91, for the relief of Cornelia Mosca Cristoforetti.—Mr. Anderson (Toronto).

Bill No. 92, for the relief of Florence Emaline Hind.—Mr. Edwards (Ottawa).

Bill No. 93, for the relief of Dorothy Helen Elliott.—Mr. Church.

Bill No. 94, for the relief of Myrtle Blanche Weeks.—Mr. Casselman.

Bill No. 95, for the relief of Dorothy Olinda Tew Phillips Lawson.—Mr. Edwards (Ottawa).

Bill No. 96, for the relief of Nelson Douglas Longfield.—Mr. Preston.

Bill No. 97, for the relief of Susanah Ivy Y. Cave.—Mr. Harris.

Bill No. 98, for the relief of James Arthur McNish.—Mr. Garland (Carleton).

Bill No. 99, for the relief of Elizabeth Maud Maitland.—Mr. Hepburn.

Bill No. 100, for the relief of Agnes Seeds.—Mr. Casselman.

Bill No. 101, for the relief of James Sharkey.—Mr. Edwards (Ottawa).

Bill No. 102, for the relief of Lawrence Raymond Sinclair, otherwise known as Lawrence Reginald Sinclair.—Mr. McPhee.

Bill No. 103, for the relief of Ruby Pearl Northam.—Mr. Young (Toronto Northeast).

Bill No. 104, for the relief of Leila Beecher Smith Kerman.—Mr. Young (Toronto Northeast).

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL COMPANY

The House resumed from Tuesday, March 22, consideration of the motion of Mr. Chevrier for the second reading of Bill No. 78, respecting the Montreal, Ottawa and Georgian Bay Canal Company, and the proposed amendment thereto of Mr. Guthrie.

Hon. R. B. BENNETT (West Calgary): Mr. Speaker, when the hour for private members' bills expired on Monday last, I had shortly reviewed the circumstances in connection with the incorporation of this company, and the various extensions that had

been granted whereby it became possible for the company to continue in existence thirty years after its incorporation.

I had endeavoured to point out that the second reading of the bill affirmed the principle of the measure and that the principle affirmed by the House could not be varied in committee.

I had also endeavoured to point out that the granting of the charter involved the losing of large sums of money to this country in the way of annual rentals that might otherwise have gone to the exchequer. When we left that order of business I had been endeavouring to ask this House what was the principle of the measure under consideration, and I had not then concluded.

If hon. gentlemen are desirous of understanding what the principle of this measure is, it will only be necessary for them to look at the marginal note opposite section 1 of this bill, where they will find the words "Extension of time for commencement and completion". Nothing is clearer than that unless some legislative action is taken by this parliament before the 1st day of May next, this company will have ceased to function. It will no longer be enabled to carry on its undertakings; it will no longer be a factor in the development of canals or water powers. If that be so, and I think you will admit that it is so, we have to ask ourselves, I submit, but a single question. We lawyers, about whom we heard something this afternoon, sometimes have a fashion of testing a problem by making certain inquiries with respect to it. I have an inquiry to address to hon. members in this House to-night, and it is this: would you in your place as a member of this House of Commons at this time—that is the year 1927—pass an act incorporating this company with the powers indicated? That is the question. If you say yes to that, then you should vote for the second reading of the bill. If, in your conscience and by your reason, you could not say that in the light of the knowledge you now possess, you would rise in your place and vote to create a company with the powers that are given to this enterprise, then you should not vote for the second reading of the bill. Is that not fairly clear and obvious to everyone? Why? Because the bill—and I wish to bring it home to the minds of hon. members—divides itself into two separate and distinct undertakings; first, canals, and then power. If hon. gentlemen will look through the bill they will find that the principle of this proposed legislation is: To enable this company, the Montreal, Ottawa and Georgian Bay Canal Company, hereinafter called the company, to commence the construction of its canals, or any of them. That is the first. That is, that it may commence the construction of canals from the port of Montreal to Georgian bay, a distance of two hundred miles, through lakes, rivers and detours, and by the building of such canals make a waterway between those two points. That is the first branch of the undertaking. Go a step further, and we find the following:

—and subject to the provisions of this act, may, in connection with such construction and operation, exercise all the powers granted to the company by chapter 103 of the statutes of 1894 and amendments thereto.

And I read to this House the other evening, Sir, the section as placed in the act of incorporation when it was amended, by which the company was enabled to carry on its business as a power company. Therefore the powers of this company are divided into two branches: (a) Its canal undertaking; (b) Its power undertaking; and the principle of the measure is to renew the life of, revivify and resuscitate a company whose life will expire on the first day of May next. Unless you are prepared, as members of this House, to say that you would vote for the bill incorporating this company as it was in 1894 and subsequently amended, you should not vote for the revivification and resuscitation of the enterprise.

Let me go a step further. I am asked how I can establish that it is really intended that power should be the basis of this revivifying statute. All I can say with reference to this is that apart from what was said by the Minister of Railways (Mr. Dunning) the other night, and to which I referred in answer to a question by the Solicitor General (Mr. Cannon), if my hon. friends will take the trouble to read the language of the memorandum submitted by the applicants for this legislation they will realize that it is alleged in terms that it is power they propose to develop, and it is by the sale of power that they propose to pay the cost of putting through this undertaking. They say:

Therefore the Montreal, Ottawa and Georgian bay canal have the exclusive and overriding right to the use of water on the Ottawa river, a right which, when put into force, destroys all other claims. Any existing users of water in the Ottawa river are, to the extent to which they interfere with the right of development and control of that river for navigation, interlopers with no legal status whatsoever.

Therefore this House is asked now to revivify and resuscitate this enterprise, with the promoters alleging that any existing users of water in the Ottawa river are, to the extent to which they interfere with the right of de-

velopment and control of that river by the company, interlopers with no legal status whatever.

I submit the Minister of Railways will hesitate before he will involve the country in that form of litigation. He says there are power rights on that river granted to other companies in days gone by. The promoters have brought before the House a memorandum in which they have stated that they are the overlords, and that nobody can be permitted to interfere with them on that river, and that if they do so they are interlopers without any legal status whatever. Is it the policy of the House of Commons to involve this country in litigation for the purpose of having it declared, as the promoters have said, that they are the overlords upon that river? And this charter, in the language of these gentlemen, gives them supreme control over the Ottawa river, over two hundred miles of lakes and waterways, and they themselves allege that—it is not what I say in this House, it is what is alleged in the memorandum under which they seek this legislation—

> By the special acts respecting the Montreal, Ottawa and Georgian bay canal company, the parliament of Canada has authorized that company to develop the navigation of the Ottawa river.
>
> By so doing the parliament of Canada exhausted during the currency of these acts, the rights of the Dominion in regard to the granting of the use of water on the Ottawa river. Any executive authority granted by the Dominion for the use of water on the Ottawa river for any purpose except navigation and shipping is invalid as being ultra vires.

Therefore this company, that now seeks the sanction of parliamentary authority to breathe the breath of life after the first day of May next, alleges that this parliament has exhausted, during the currency of those acts, the rights of the Dominion in regard to the granting to anybody else of any powers whatever. Let there be no misapprehension. Every hon. gentleman who gives the sanction of his vote and authority to this measure is stating his willingness to call into being a body, an entity, a corporation, with the authority and privileges and powers which the promoters say belong to their company. I ask any hon. gentleman on either side of the House if he will do it in face of that consideration.

In the face of thirty years experience, in the light of the knowledge we have gained, would any hon. member vote to call into being a company clothed with these powers, powers which I say they do not possess but which the promoters allege they possess? Why call into existence the canal company under these circumstances? There are two reasons why we should not do it. It is not the policy of this country and has not been its policy to grant to a private enterprise the right to build canals and charge tolls. That is number one, and number two is that in view of our commitments with respect to railways and other means of transportation we cannot afford to lessen the revenues of our own enterprises.

And lastly we know that under the administration of Sir Wilfrid Laurier nearly a million dollars was expended on surveys. I well recall when I first came to this House that Sir Robert Borden, yielding to the pressure put upon him with reference to this canal undertaking, granted the application for a royal commission. Investigations took place; the commission made reports and I say that nowhere in any report made upon this matter, nowhere in the notes of surveyors, will you find a single word that indicates that that enterprise may ever profitably or successfully function as a canal company. Then what are we doing? We are asked to give the breath of life to a dying enterprise that no single engineer says may be successful. We are asked to resuscitate a corporation that is dying, to which Sir Wilfrid Laurier gave its congé, when the surveys were completed after spending nearly a million dollars, and of which we have not heard as a living enterprise since the days of the reports of the Sanford Evans commission. So none of us would give it power or life as a canal company for the reasons I have indicated.

How many hon. members would vote to give it being as a power company? Would any hon. members hand over 200 miles of lake and river waterway with the million and a quarter potential power development to a private enterprise without a single dollar return to this country? Where is my hon. friend the Minister of Customs (Mr. Euler) —he who did so much for public ownership in the province of Ontario, he who lent his great power of intellect and the influence of his press to develop that enterprise in his province—where is he to-night? Does he say for a single moment that he would vote to give to this private corporation the authority to control 200 miles of waterway with the possible development of a million and a quarter horse-power without a dollar being paid to this country?

I pointed out to this House the other evening that under the initial lease made by the government of Sir Wilfrid Laurier in 1908 to Mr. Crawford Ross the country was to receive two dollars per horse-power. It was subsequently reduced when it was provided

that the development should be greater. I observe that 25 cents was named by the solicitor for the new interests that took over the charter. But the rental was fixed at $50,000, to be increased to a higher figure. If a full development of the million and a quarter horse-power on this 200 miles of lake and river waterway takes place the country is sacrificing not less than $500,000 per annum. Last Tuesday I put the loss at a quarter of a million dollars, but I find that figure is entirely too low. We get not a sou from the exploitation of these great natural resources. I challenge any member to point to a single instance of the resources of this country having been alienated without some compensation. Not a dollar, not even a cent, is to be paid by those who are asking for a renewal of this charter, although those who had the lease in the early days were to pay two dollars per horse-power at Carillon. That is the position. Therefore I do submit with confidence, Sir, that there is not an hon. gentleman in this House who, if he had to consider this act of incorporation de novo, would at this date vote to create this canal or power company.

I said on Tuesday that I hoped my hon. friend the Minister of Justice (Mr. Lapointe) would be here this evening. I understand he is absent by reason of a social engagement, but perhaps my hon. friend the Minister of Labour (Mr. Heenan) will consider the legal argument that I propose to submit to the House.

Some hon. MEMBERS: Oh, oh.

Mr. BENNETT: I thought that might engage his attention for a moment. It has not been noted as a salient feature, but it is a matter of great importance to observe that three years after we became a confederation the parliament of Canada by chapter 24 of the statutes of 1870 passed an act declaring the Ottawa a navigable river, and that all works then existing or that might thereafter be built thereon should be works for the general advantage of Canada and should be subject to the exclusive power of the federal parliament. In 1898 we find a reference made to the supreme court as to the respective legislative powers of the Dominion and the provinces with regard to fisheries in navigable waters, and the Privy Council decided, Lord Herschell having delivered the judgment affirming the Supreme Court of Canada, that with respect to a river such as the Ottawa the jurisdiction of the parliament of Canada extended to all matters, relating to the use of the waters for navigation and allied purposes. In fact, the Privy Council answered the questions submitted in the same sense as did the Supreme Court of Canada.

The matter is too familiar to members of this House for me to deal with it at length except to say that in the year 1925 the Privy Council had again to consider the whole question with respect to the ownership of navigable waters and of river and stream beds. Perhaps hon. gentlemen from Montreal will recall the decision in the Montreal harbour commissioners case. It was there decided—and I think it is very important that we should keep it in mind in this matter—by the law lords of the Privy Council that under the British North America Act the effect was to vest the harbour of Montreal as it existed in 1867 in the crown in the right of the Dominion; but to vest the bed and foreshore of the harbour in the crown in the right of the province. I find in the case, Montreal City vs. Montreal Harbour Commissioners, the principle is stated in these words at page 311 of the appeal cases for 1926:

> Under section 91 exclusive legislative authority is given to the Dominion parliament in the matters of navigation and shipping. Under section 92, head 10, lines of steam or other ships, railways, canals, telegraphs and other works and undertakings connecting a province with any other province, or extending beyond the limits of a province, lines of steamships between a province and any British or foreign country, and such works as although wholly within a province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more provinces, are all taken out of the legislative authority of the provinces and placed (by section 91, head 29) exclusively under that of the Dominion parliament.

Then the judgment proceeds:

> But the question remains whether section 91, head 10, of the act, which empowered the Dominion parliament to legislate as to navigation and shipping, empowered that parliament to authorize the extensive works undertaken by the commissioners on the banks and foreshore and in the bed of the river. In considering this question it is necessary to bear in mind the nature of those works. They include, not only dredging operations, but an embankment and railway on the shore of the river, quays, a dry dock and ship repairing plant, and it would appear to be impossible that works of this character and extent could be constructed and used without an exclusive occupation of the soil equivalent to possession. Now there is no doubt that the power to control navigation and shipping conferred on the Dominion by section 91 is to be widely construed. As was pointed out by Lord Herschell in the judgment which he delivered on behalf of the board in Attorney-General for the Dominion v. Attorney-General for the provinces—namely, the first of the three Fisheries cases—the terms on which those powers are given are so wide as to be capable of allowing the Dominion parliament to restrict

very seriously the exercise of proprietary rights in a fashion which, to a great extent, depends on the discretion of that parliament. What was said in that case about the enactment of regulations and restrictions in matters relating to fisheries being excluded from the competence of the provincial legislatures applies not less to matters relating to navigation and shipping. But while this is so, it does not appear to their Lordships that the right of the Dominion extends so as to authorize them to vest in a body like the commissioners an exclusive right to occupy property of the province without compensation and to erect upon it permanent works, such as quays, docks and railways.

There we have the last authoritative statement in respect of the matter. As was pointed out by Lord Herschell in the first of the three fisheries cases, the exercise of legislative power is one thing, the exercise of a proprietary right is another; and the proprietary right in respect of the river bed of the Ottawa, which is a navigable stream, declared so by parliament, is vested in the provinces of Quebec and Ontario and not in this parliament. I want to point out a very significant thing, because it is of the utmost importance that in considering—

Mr. POULIOT: What does the hon. member think of the Maclaren case which was decided by the Privy Council in the early nineties?

Mr. BENNETT: That case is not at all in keeping with this. The case I am referring to was decided, as my hon. friend probably knows, in the closing days of 1925 and is reported in the 1926 appeal cases. It determines definitely, until legislation to the contrary is passed, that the legislative power regarding navigation and canals resides in this parliament, but that the proprietary right to the bed of the river and the foreshore is with the provinces of Ontario and Quebec.

Mr. POULIOT: My friend knows that in the Maclaren case the Privy Council decided that the bed of the Ottawa river belonged to the riparian owners to the medium filum aquae.

Mr. BENNETT: My hon. friend is dealing there with riparian owners, and the right of such owners is merely the right which has accrued to them from the respective provinces. But in the Montreal case the court was deciding whether or not the proprietary right with respect to the bed of the stream vests in the provincial legislatures or in the federal parliament, and it decided definitely that it vests in the provinces. So we have the provinces interested on each side of this river as proprietors of the bed of the stream, and there can be no dams erected for power purposes that utilize the bed of the stream unless and until the right to do so has been acquired from the provinces. That is the effect of the decision in the harbour commissioners case. They thought they had a right, because that right, they believed, was given to them by this parliament to deal just as they pleased with the bed of the harbour of Montreal. But the Privy Council said that the bed of that harbour and of these non-tidal streams does not belong to the Dominion; that it cannot exercise jurisdiction over the land, although it may exercise jurisdiction over the water which flows over the land. Hence the decision to which I refer. What does that mean? I well recall the circumstance when Sir Robert Perks came out to this country in 1912 for the purpose of effecting a further extension of the life of this enterprise. Sir Adam Beck came to Ottawa to protest on behalf of Ontario, and it will be observed that he succeeded in having added to the statute of the year 1912 these very important words:

Nothing in this act, or in any other act governing or affecting the company, shall be construed to authorize or empower the company to enter, or take, or use the public lands of the province of Ontario or Quebec without the consent of the lieutenants governor in council of the respective provinces, except to the extent necessary for the purpose of constructing the canal and necessary works incidental thereto, and for the purpose of developing power necessary for the operation of the canal.

Observe the words "necessary for the operation of the canal." That section was reënacted in 1913; it was reënacted in 1915; but it disappeared in 1918, and it has not since found a place in the legislation of this parliament. I leave to this House to determine the reason why. We did not then so fully know or understand or appreciate the limitations upon our legislative power as compared with that of the provinces. We now know them; we now understand them; we now appreciate them. I ask hon. gentlemen again: Can we, in the light of the knowledge which we now possess, give our sanction to the recreation of a company with the powers which I have indicated?

Let me go a step further. When this bill was before parliament in 1924, just as it was being given its third reading, the then Minister of Railways, the Right Hon. George P. Graham, made this statement as reported at page 1932 of Hansard of that year:

Mr. Graham: I was in the committee when certain immaterial amendments were made to the bill, and I rise now simply to say on behalf of the government—

Not for himself, be it observed.

—that although no objection is being taken to the extension of time in this case, it must be distinctly understood that this bill will not interfere in any way with any encouragement the government may give, or any work it may intend to do, in connection with the development of power on the Ottawa river. I say this because of course the Georgian Bay canal project includes the Ottawa river, and the powers embraced in this bill were given years ago when the government was making extended surveys and investigations in relation to the Georgian bay undertaking. This company's charter has been extended form year to year and I have no desire to prevent the retention of the powers they have; but there must be a distinct understanding that the extension of time granted by this bill does not preclude the government, if it so desires, from taking any steps which it may see fit towards the development of powers on the Ottawa river.

Compare that language, Mr. Speaker, with the language of the promoters of this bill. Then Mr. White interrupted, saying:

Mr. White: Will the statement of the minister have any effect if the purport of it is not incorporated in the bill?

Mr. Graham: I have written to Sir Robert Perks expressing the same views I have announced to-night, so that the company know perfectly well that the extension of this charter does not confer any powers which they had not before, and will give them no exclusive rights on the Ottawa river.

No exclusive rights, and yet the so-called brief of the hon. member for Ottawa (Mr. Chevrier) alleges that they have exclusive rights over and control this river as overlords. That is the position with respect to that.

Mr. CHEVRIER: I held no brief such as the hon. member has mentioned. I did not use the brief which the hon. member has mentioned nor any of the arguments to be found in it.

Mr. BENNETT: The word "brief" was used by the hon. member for Bow River (Mr. Garland). I did not use the word in any offensive sense. The hon. member for Bow River stated that the document had been given to him by the hon. member for Ottawa, and it was placed on Hansard in that way.

Mr. CHEVRIER: With the legal learning which the hon. gentleman has he will understand that it has no binding effect on my argument.

Mr. BENNETT: I did not suggest that it bound my hon. friend. I suggested only that it should bind the promoters.

Let me go a step further in this citation. The present Minister of Immigration (Mr. Forke) intervened, saying:

Mr. Forke: The minister's statement is simply an explanation; it does not alter anything?

Mr. Graham: Matters stand just as they did before.

Mr. Caldwell: How much development has taken place under this bill?

Mr. Graham: So far as I know, there has been just the preparation of plans.

Mr. Ryckman: What rights are maintained or contended for by the government?

Mr. Graham: No rights which the federal government has ever had are being interfered with by the extension of the charter. If my hon. friend wants me to go into a discussion of the question as between federal and provincial rights I am afraid I shall have a considerable task.

There it ended. That was the last extension. Since then, with the decision of the Privy Council in the Montreal harbour commissioners' case, can this House, in view of the contention made by the promoters of this measure, give its consent to the second reading? Can the Minister of Immigration, in the light of the very pertinent inquiry which he then made, do so? Can the Minister of Customs and Excise (Mr. Euler), under those circumstances, do so? I venture to hope not.

I leave that matter with the House with one additional fact not referred to at that time by the then Minister of Railways, namely, that in 1870 the Ottawa river, with all improvements, past, present and future were declared works for the general advantage of Canada. In the light of those facts, how can this House treat this as a private bill?

In view of my desire to conclude what I have to say, I will refer to only one more matter. Should this House pass legislation, should it give its assent to the principle of a measure such as this, should it send to committee a bill which invites litigation against the Dominion? In terms the bill does that. Why? Because from information given to us the other evening by the Minister of Railways and Canals (Mr. Dunning) and from the three sessional papers to which I have already referred, we now know there are rival power interests contending for rights in the Ottawa river. We now know there is a rival power company which contends it has large rights upon that river. We know further, that those rights expire on the first day of May of this year. The Minister of Railways alleged that this was done practically for the purpose of having them synchronize. Unless this parliament intervenes, the rights of this canal and power enterprise expire on the first day of May and the rights and privileges of this

private power company also expire on the first day of May. What then is the duty of parliament? Far be it from me to suggest what that duty should be for others. What is my duty? My duty is, so far as my vote and voice are concerned, to see to it that this parliament gives no new life to an enterprise that we would not in this day create if we were called upon to do so, and that we leave the river Ottawa free, by permitting this charter to lapse and by refusing to renew the license to the private company, reserving the vested rights of the owners of the 250 horse-power development.

The hon. member for Bow River this afternoon asked the Minister of Railways what he proposed to do, and the minister said that he was waiting for this bill to go to committee. The minister in his speech the other night had the hardihood to suggest to this House that the matter could all be threshed out there. He knew, or he should know, that the only thing that can be dealt with in that committee is the right of this company to a renewal of this charter. That is the principle of this measure. Therefore the committee could not there deal with the extension of the lease of a private enterprise, which lease has been extended to the first day of May next.

I know not what may be the duty of each individual member to his own mind, reason and conscience, but I know what my duty is. I know it is my duty on this occasion to vote not to send the bill to committee; to declare that it is, as it is indeed, a public measure fraught with the gravest possibilities of danger to the public interest and bringing no revenue to this country. I know it is my duty to say, so far as my vote and voice are concerned, that this company has had its day and ceased to be; that this company shall not be revived; that it shall not be resuscitated; that it shall not be a menace to the government of this country by preventing the bringing of revenue to the exchequer from the development of power on the Ottawa river.

But I do not stop there. We know that a small company with a development of 250 horse-power was licensed, and that that 250 horse-power development with one wheel may possibly be extended to 650 horse-power if desired. Let us instruct our Minister of Railways—if necessary I am prepared to move a resolution to this effect—that this House is resolved that this lease shall not be extended beyond the first day of May. Then what happens? We then leave the Ottawa river free; we leave the province of Ontario with its rights to the soil to the middle of the stream to deal with the situation as it pleases, to make arrangements with the Dominion government and with the government of Quebec for the development of electric energy. We leave the province of Quebec free to deal with its share of the soil under that stream as it pleases, to license private enterprise if it so desires or to provide for public development. We leave the two provinces free to pursue the course they desire as their interests may determine; we leave provincial rights untouched; we leave the right of this Dominion untouched, and we save to the people of Canada 200 miles of river and lake waterway with a million and a quarter horse-power of electrical energy, the revenue from which will come to the country. In times past we have leased these powers as we have developed our railways and canals, and they have brought much money to the exchequer of the country. Now we have a chance which rarely comes in the life time of men; this parliament, in the plenary exercise of its authority has the right to say, "We will not again call into being this enterprise; we will let it die the death it has merited, die from inanition, die because for thirty years it has done nothing, and because for that long period, more than half the life of this confederation, it has not exercised its functions, its powers and its privileges." We have an opportunity to say, "We will give you no new lease of life in the light of the knowledge we now possess."

Hon. gentlemen opposite have been silent. This is not a political matter; there are men of the Liberal faith who are stronger supporters of the doctrine of public ownership than any man on this side of the House, even any man to my immediate left. My friend the Minister of Customs is one. The great province of Ontario which now has nearly $300,000,000 invested in hydro-electric enterprises—provincial, municipal and civic—contains many men who are earnest supporters of public ownership. Through ill repute and good my friend the Minister of Customs (Mr. Euler) has given the great undertaking the assistance of his pen, his mind and his voice, and he is a Liberal. I have not been noted for my strong advocacy of public ownership but, Sir, this is more than that; it far transcends that principle. The question is whether or not I shall vote to hand over to private interests 200 miles of waterways and a million and a quarter horse-power of electrical energy without a dollar of compensation to the people of this country whether I shall invite the possibility of litigation between Quebec, Ontario and this Dominion. The time has now come when for the first time these two things synchronize; we have the expiration of the lease and the

disappearance of the company; let them die the death together.

One word more, Sir, and I have concluded. It has been said that we on this side of the House among others have during all these years voted for the renewal of this charter without making a protest. I have shown that that is not quite so; I have shown that there were members alive to the importance of this matter in 1924 and that my good friend from Brandon (Mr. Forke) was alive to its importance although it was not a matter affecting western communities. But, Sir, this is the thought I would leave with the House. Shall we blindly follow what we have done in days gone by or, in the light of wider knowledge and new experiences, mark out a new place upon the statute books? That is the question. Shall we be statesmen or politicians? Shall we be placemen or legislators? Which shall we be? I cannot conclude better than with words which have been ringing in my ears during the last few days as I have been thinking of this question, the words of a great American poet who, in the light of knowledge and experience said:

New occasions teach new duties: Time makes ancient good uncouth;
They must upward still, and onward, who would keep abreast of truth.

Mr. MACKENZIE KING: Mr. Speaker, before the hon. member for West Calgary takes his seat I would like to ask him a question in reference to some remarks he made in the opening part of his speech; I was not in the House at the time or I would have asked him then. His remarks had reference to my visit to Atlantic City in the latter part of last month and the early part of this month. His words are to be found in Hansard of Tuesday the 22nd inst. at page 1446. I wish the hon. member would explain now just what he meant by the remarks made in respect of myself.

Mr. BENNETT: I stated it in very good faith; all that was meant was that the right hon. gentleman had gone to Atlantic City to recuperate his health; that he was accompanied by one distinguished senator and that a senator from Ottawa also visited Atlantic City at the same time. I pictured an imaginary interview, and I trust in so doing I did not do violence to my imagination. I also pictured the fact that a gallant knight passed through that city on his way from Washington to New York. I pictured the visit, and I pictured the anxiety with which that gallant knight passed through that community and his zeal for the public good at Newmarket contrasted with his efforts to secure this charter here.

Mr. MACKENZIE KING: In the concluding part of the hon. member's speech tonight he made some distinction between statesmen and politicians. As a statesman I wish he would tell us just what his present remarks mean?

Mr. BENNETT: Just what I said.

Mr. MACKENZIE KING: Whom does he say passed through Atlantic City at the time I was there?

Mr. BENNETT: The gallant knight who is backing this enterprise.

Mr. MACKENZIE KING: Who is that?

Mr. BENNETT: Sir Clifford Sifton.

Mr. MACKENZIE KING: Then I will say to the hon. member that I have never spoken to Sir Clifford Sifton with respect to this bill at any time, directly or indirectly; I was not aware that he was at Atlantic City, and in the circumstances, I would ask the hon. member to retract everything he said in respect of myself and Sir Clifford Sifton.

Mr. BENNETT: I gladly accept the statement of the right hon. gentleman and I gladly withdraw the statement that he saw Sir Clifford Sifton at Atlantic City or talked with him in respect to this bill. But we have a quotation in law, Qui facit per alium facit per se, which means, "the knowledge of the agent is the knowledge of the principal," and the sons speak with quite as much authority as the father.

Mr. MACKENZIE KING: In reference to the last insinuation of the hon. member I will also say that so far as the sons are concerned, I have had no conversations with respect to this bill save that on one occasion in December or January Sir Clifford Sifton's two sons asked for an interview with the government. They desired that interview because the government had failed to approve plans which under the charter they had submitted in connection with the construction of the Georgian bay canal, and they wished to know whether, when a private bill was presented at the approaching session the government would obstruct the bill and prevent it from receiving the same treatment as that accorded other private bills. I intimated that I saw no reason why the government should treat one private bill differently from another. That was the sum and substance of the interview I had with the sons of Sir Clifford Sifton. During the course of this debate I have on one or two occasions, by chance, met Mr. Winfield Sifton. He said to me that he understood the government were taking the position of

trying to prevent this bill from going to a committee, and asked me if that was correct. That was the substance of the intimation that he made. Concretely it was that the Liberal whip was giving Liberal members to understand that the wish of the government was that this bill should not go to the committee, and he wished to know from me whether or not the government had given instructions to that effect. I said that the government had not. That is in respect of this bill the sum and substance of any interviews I have had with Sir Clifford Sifton or his sons or anyone directly or indirectly connected with them, and now I ask the hon. member to retract his last insinuation.

Mr. BENNETT: No. After the last statement the Prime Minister has made I will no longer make an insinuation; I will make the statement based on his observations.

Mr. MACKENZIE KING: What is the statement?

Mr. BENNETT: The statement is that assurances were given to the son of Sir Clifford Sifton that this motion would receive consideration.

Mr. MACKENZIE KING: Oh, no.

Mr. BENNETT: That is what you said.

Mr. MACKENZIE KING: In conclusion I will merely say this: The hon. member ended his speech with an elaborate peroration and a quotation with respect to the regard that should be had for truth. I leave you, Mr. Speaker, and the House, to judge how close a regard in his remarks the hon. gentleman has had for the truth.

Mr. BENNETT: I will leave the right hon. gentleman, who is a master at judging truth in the light of his past record, to deal with the matter.

Mr. HOCKEN: What has the whip got to say?

Mr. CASGRAIN: I will speak when it is necessary.

On motion of Mr. Auger the debate was adjourned.

ADVANCEMENT OF BILLS

Mr. SPEAKER: In view of the representations which have been made to me that a number of private bills should be advanced a stage notwithstanding the fact that the hour for private bills has expired, I should like to get an expression of opinion from the House.

[Mr. Mackenzie King.]

Mr. CARMICHAEL: I should like to urge upon the House that unanimous consent be given to the furtherance of the remaining private bills. I am particularly interested in Bill No. 177, to incorporate The Free Methodist Church in Canada. This bill has been before the House on two previous occasions in two past sessions and has fallen by the way. This is therefore the third time it has been up, and the promoters of the bill are anxious that it should be proceeded with and brought to a successful conclusion. I would urge the House to grant unanimous consent that at least Bill No. 177 receive a second reading.

Mr. SPEAKER: Am I to understand that the House grants unanimous consent?

Some hon. MEMBERS: Granted.

SECOND READINGS

Bill No. 175, to incorporate The Independent Order "Fior d'Italia."—Mr. Odette.

Bill No. 177, to incorporate The Free Methodist Church in Canada.—Mr. Carmichael.

Bill No. 179, for the relief of Helen Pettit Bruce.—Mr. Young (Toronto Northeast).

Bill No. 180, for the relief of Hugh Devlin.—Mr. Pettit.

Bill No. 181, for the relief of Charles Wilson.—Mr. Kaiser.

Bill No. 182, for the relief of Josephine Rae Ennis.—Mr. Ladner.

Bill No. 183, for the relief of Della Laurel Cox.—Mr. Kaiser.

Bill No. 184, for the relief of Rose Glucksberg.—Mr. Heaps.

Bill No. 185, for the relief of Murray Richard Minler.—Mr. Speakman.

Bill No. 186, for the relief of John Leslie MacLellan.—Mr. Casselman.

Bill No. 187, for the relief of Elizabeth Brown.—Mr. Geary.

Bill No. 188, for the relief of Matilda Emily Cantrell.—Mr. Young (Toronto).

Bill No. 189, for the relief of Mary Ellen Walker.—Mr. Hocken.

Bill No. 190 for the relief of Edwin Walter Wood.—Mr. Matthews.

Bill No. 191, for the relief of Harriett Robinson.—Mr. Anderson (Toronto).

Bill No. 192, for the relief of Homera Emilie Hodgson.—Mr. Garland (Carleton).

Bill No. 193, for the relief of Paul Elester Scarr.—Mr. Luchkovich.

Bill No. 194, for the relief of Ronald Lorne Johnston.—Mr. Goodison.

Bill No. 195, for the relief of Eva O'Neill.—Mr. Garland (Carleton).

Bill No. 196, for the relief of Mabel Beatrice Nash.—Mr. Edwards (Ottawa)

Bill No. 197, for the relief of Isabella Emily Blue.—Mr. McGregor.

Bill No. 198, for the relief of Cherie Amy Aston.—Mr. Preston.

Bill No. 199, for the relief of Ida Gertrude Le Fevre.—Mr. Spence (Parkdale).

Bill No. 200, for the relief of Inez Mary Pitcher.—Mr. Garland (Carleton).

Bill No. 201, for the relief of Charles Murray Mutch.—Mr. Arthurs.

Bill No. 202, for the relief of Estelle Henrietta Cartwright.—Mr. Casselman.

Bill No. 203, for the relief of Ronald Ross File.—Mr. Lennox.

Bill No. 204, for the relief of Grace Mantle. —Mr. Church.

Bill No. 205, for the relief of Emma May Ryan.—Mr. Arthurs.

Bill No. 206, for the relief of Muriel Martha Hammond.—Mr. Ryckman.

Bill No. 207, for the relief of Anna Mae Francis.—Mr. Tummon.

Bill No. 208, for the relief of Harold James Hubbard.—Mr. Spence (Parkdale).

Bill No. 209, for the relief of Indiaetta Muriel Taylor.—Mr. Lennox.

Bill No. 210, for the relief of William Arthur Dillabough.—Mr. Anderson (Toronto).

Bill No, 211, for the relief of James Alfred McCabe.—Mr. Casselman.

Bill No. 212, for the relief of Frederick George Jones.—Mr. Church.

Bill No. 213, for the relief of Manford York.—Mr. Harris.

Bill No. 214, to incorporate Guardian Trust Company.—Mr. Kay.

HALIFAX HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to incorporate the Halifax harbour commissioners, and to make provision for the improvement, management and regulation of the harbour of Halifax, in the province of Nova Scotia.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. CARDIN: The object of this resolution is simply to incorporate the harbour commission of Halifax, acting upon the recommendation of the Duncan commission on maritime province rights. We propose to give to that commission the same powers that are enjoyed by harbour commissions already existing in Montreal, Vancouver, and other ports. The powers granted in this case will be absolutely the same as in other cases. The bill to be founded on this resolution is practically a copy of the bills which have been enacted for the incorporation of the other harbour commissioners.

Mr. GARDINER: How many members will the commission consist of?

Mr. CARDIN: The bill will provide for the appointment of three members.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 225, respecting the Halifax harbour commissioners.

Motion agreed to and bill read the first time.

Mr. SPEAKER: When shall the bill be read the second time?

Mr. GUTHRIE: Next sitting of the House.

ST. JOHN HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to incorporate the St. John harbour commissioners, and to make provision for the improvement, management and regulation of the harbour of St. John, in the province of New Brunswick.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. CARDIN: This resolution provides for the introduction of a bill to incorporate the harbour commission of St. John, New Brunswick. The bill will be along the same lines and exactly on the same principle as that relating to the Halifax harbour commission, although it will differ in certain details.

Mr. GARDINER: There is just one observation I wish to make to the minister. It is quite possible that it is necessary to have commissioners at the ports of Montreal and Vancouver, but the work of a harbour board at ports like St. John and Halifax will not be so extensive as at these other two ports, and I would ask the minister to take into consideration between now and the second reading of the bill the possibility of appointing at Halifax and St. John one chief commissioner who would give his whole time to the work of the harbour commission, with two assistants who might work only part time or be called into consultation as required by the chief commissioner. The hon. member for Vancouver Centre the other evening made a similar suggestion with regard to Vancouver,

and I think in view of the possibility of obtaining men at St. John and Halifax who would be able to give a good deal of their attention to harbour works and still be able to look after their own bnsiness, we might in that way get a better functioning commission than if three full-time commissioners were appointed. I merely throw out that suggestion for the minister to take into consideration between now and the second reading of the bill.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 226, relating to the harbour of St. John in the province of New Brunswick.

Motion agreed to and bill read the first time.

COMPENSATION TO GOVERNMENT EMPLOYEES

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the act respecting compensation where employees of His Majesty are killed or suffer injuries while performing their duties (1918, c. 15), to provide that compensation to employees in Prince Edward Island shall be the same as to employees in New Brunswick, and that any compensation awarded and any remuneration and expenses payable to any board, officer or other authority in this regard may be paid out of any unappropriated moneys in the consolidated revenue fund of Canada.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: I think I understand the meaning of the resolution, but perhaps the minister had better give us a word of explanation.

Mr. DUNNING: There is at the present time no workmen's compensation board in the province of Prince Edward Island. Government employees under the legislation now existing are dealt with by provincial machinery in the other provinces, and it is desirable to create in some manner machinery which will deal with injured government employees in Prince Edward Island. The government of that province does not intend to set up any workmen's compensation board, and this amendment to the act is designed to make the same scale and terms of compensation apply as would be the case if the employee were a native of New Brunswick instead of Prince Edward Island. So far as the machinery of operation is concerned, it is intended to work through the machinery of the government of Prince Edward Island. I shall be glad to furnish particulars as to the details of coöperation with the government of the island in this matter on the second reading of the bill.

Mr. GUTHRIE: Have the employees asked for this?

Mr. DUNNING: Yes, for many years.

Mr. ADSHEAD: Are these Dominion government employees?

Mr. DUNNING: Yes.

Resolution reported, read the second time and concurred in. Mr. Dunning thereupon moved for leave to introduce Bill No. 227, to amend an act to provide compensation where employees of His Majesty are killed or suffer injuries while performing their duties.

Motion agreed to and bill read the first time.

FRUIT ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Fruit Act (1923, c. 15), to provide by regulation for the inspection of fruit intended for export, and the issuing of an export certificate or permit therefor, and for the fees for such inspection, certificate or permit.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: Will the minister explain this measure?

Mr. MOTHERWELL: This bill is a very short but a very important one. It provides for the regulation of the export and grading of fruit in the same manner as cheese and butter are graded for export. For the last two years an inspector has been employed voluntarily by the fruit men at the various points to do the inspecting. An inspector was appointed in British Columbia and the result was very satisfactory, so much so that a large proportion of British Columbia fruit has either gone into the interprovincial trade or has been exported under government certificate. I think a very large percentage of the fruit has gone forward under government inspection. The province of Ontario has adopted a system of government inspection, and the maritime provinces have come to the conclusion that if they were to get the best results with their export fruit they would have

to make provision for the inspection. This bill provides for such inspection. The inspection has been done voluntarily for two years in the same way as we inspect our grain for export and our butter and cheese for export.

Resolution reported, read the second time and concurred in. Mr. Motherwell thereupon moved for leave to introduce Bill No. 228, to amend The Fruit Act.

Motion agreed to and bill read the first time.

Mr. SPEAKER: When shall the bill be read the second time?

Mr. GUTHRIE: Go ahead.

Mr. MOTHERWELL moved the second reading of the bill.

Mr. GARDINER: The bill has not been printed and distributed. I object to it.

Mr. SPEAKER: The objection is well taken. The second reading will be set for the next sitting of the House.

LIVE STOCK AND LIVE STOCK PRODUCTS ACT, 1923, AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Live Stock and Live Stock Products Act, 1923, and to make further provisions, as to membership in live stock exchanges, the inclusion of coöperative associations, the rules, regulations and by-laws to be applicable to such exchanges, and penalties for violation of the act.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: Has the bill been before the committee on agriculture, and have they adopted the resolution?

Mr. MOTHERWELL: The resolution has not been before the committee on agriculture, but the bill will go there.

Mr. KENNEDY: I would like an explanation of the resolution.

Mr. MOTHERWELL: As a result of certain differences that arose last spring between one of the live stock exchanges and a coöperative marketing association, it was drawn to the attention of the department that no provision was made for the coöperative marketing of live stock. It is true there was no special mention of the coöperative associations, because since the act was first drafted and since it got its last revision in 1923 the coöperative marketing of live stock has come into such prominence that probably from fifty to sixty per cent of the live stock that is marketed and delivered at our exchanges comes through coöperative sources. In addition to that the act has grown obsolete in some other respects; consequently it has been decided to make a general amendment of the act by giving more recognition to coöperative associations and giving the producers their representative on the exchanges through the live stock associations, introducing provisions that would give more control to the exchanges themselves, and also making certain provisions in regard to penalties. The bill is printed and I expect it will be on the files on Monday morning. On the second reading I propose to ask that the bill be referred to the committee on agriculture and colonization, and every oportunity will be given for all interests to be heard.

Mr. ADSHEAD: Was a conference held between the various live stock exchanges before the bill was printed? I understood the conference was to take place and all parties given a chance to express their views.

Mr. MOTHERWELL: Yes. In order to get at the will of the people as nearly as possible with regard to this important question, a conference of the coöperative live stock associations was held, and representatives of the agricultural departments of the four western provinces and all other parties interested in the question of live stock selling was held in the city of Regina on the 17th and 18th of February. A conference was also held of representatives of the five eastern provinces in the city of Ottawa on the 2nd day of March, composed of representatives from similar bodies—provincial departments of agriculture, the eastern live stock union and all other bodies interested in this matter were represented. The views and conclusions of each body were reconciled as far as it was humanly possible so to reconcile them. Their differences were ironed out and the results are embodied in this bill.

Mr. ADSHEAD: Have the various societies had an opportunity of reading this bill?

Mr. MOTHERWELL: The purpose of this resolution is merely a warning that the bill is coming. I cannot very well give my hon. friend the contents of the bill, but it provides for what I have indicated—recognition of the principle of coöperative marketing, more control of exchanges, certain penalties for infractions, and so on.

Mr. NEILL: Is not this the act concerning which there was a legal decision last year throwing some doubt upon its validity as applied to the provinces?

Mr. MOTHERWELL: Yes, Mr. Chairman, but since then eight of the nine provinces have passed a concurring bill, and the government of Ontario has already given second reading to a similar bill.

Mr. TOLMIE: When will these bills be available?

Mr. MOTHERWELL: I think it will be on my hon. friend's file Monday morning. If he is going away he might borrow a copy.

Resolution reported, read the second time and concurred in. Mr. Motherwell thereupon moved for leave to introduce Bill No. 229, to amend The Live Stock and Live Stock Products Act, 1923.

Motion agreed to and bill read the first time.

SPECIAL WAR REVENUE ACT AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Special War Revenue Act, 1915, to provide for a more adequate enforcement of the act; to prevent evasion of taxes; to impose additional penalties for neglecting to file returns and for default in payments or the destruction of records; and to make provision for the recovery of amounts due.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: Briefly, what does the minister propose under this resolution?

Mr. ROBB: The bill is intended to speed up collections. It will impose interest charges on outstanding and accruing arrears, and provide penalties where necessary.

Mr. GUTHRIE: How do you propose to speed up collections?

Mr. ROBB: The bill will be tabled at once. It is based on the recommendations of the committee appointed last August, consisting of the chairman of the Civil Service Commission, the Auditor General and the gentleman who has charge of the Taxation branch.

Mr. CHAPLIN: Up to December last how much was in arrear in respect to sales tax collections?

[Mr. Motherwell.]

Mr. ROBB: The arrears of sales and excise tax amounted to $4,856,393.13, and covers 1792 licenses.

Mr. CHAPLIN: That is up to what time?

Mr. ROBB: The statement does not say. I will get the information for my hon. friend before we proceed with the bill.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 230, to amend The Special War Revenue Act, 1915.

Motion agreed to and bill read the first time.

CIVIL SERVICE SUPERANNUATION ACT AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Civil Service Superannuation Act, 1924, and to make such further provisions respecting allowances, benefits and contributions as may be deemed necessary for a better administration of the act.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. STEVENS: Mr. Chairman, I want to ask the minister if the bill which he proposes to base on this resolution makes any provision for temporary employees. There are a large number of temporary employees in the service, and for the last two years in particular I have brought to the attention of the government from time to time the anxiety and desire of these temporary employees to be made permanent. Many of them have been in the service for several years, and yet they are unable to secure the benefits accruing to permanent employees. If they are not covered, I would ask the minister to consider making provision for them.

Mr. ROBB: Mr. Chairman, I should not like to make a commitment as to incorporating the temporary employees in this act without having some more information before me from the superintendent of insurance. I am not sure whether my hon. friend means temporary employees who have been in some of the regular departments for many years or temporary employees who are in certain branches that for a time it was considered were temporary. I know the superintendent of insurance has this matter under consideration and when the bill comes down we might be in a better position to discuss the matter. As my hon. friend knows, the Superannuation Act was passed three years ago. In the administration a number of defects have been

brought to the attention of the Department of Finance which is charged with the administration of the act. The amendments contained in the draft bill are for the purpose of removing these defects and making the act better serve the conditions it was designed to meet. Incidentally I may say to my hon. friend that I think it extends the period of election to July, 1927. That was in the bill as presented last year.

Mr. STEVENS: I refer not to men who are hired by the day for odd jobs, but to employees who are classified as temporary but who are really just as permanent as others except that they do not receive these benefits. I hold under my hand a communication from Mr. Knowles, National President of the Amalgamated Civil Servants of Canada, and I will read a clause or two which will indicate the condition which, I think, is one that should be rectified:

> Following up our communication regarding the "temporary employee" problem we are submitting the case for permanent appointment of the employees of the Department of Soldiers Civil Re-establishment.
>
> With few exceptions the majority of the staff have served from seven to nine years with the department, and in a large number of cases the civil service appointment was made immediately after discharge from war service, others are indirect victims of war service, thus further adding to the term of public service.
>
> Practically every male member of the staff is a returned soldier of good record, as for the female employees, many have served overseas, while others are indirectly victims of war service brought about by a loss of near relatives in war areas.

And so on. Then there is another group. This is in another communication from the same gentleman:

> Cleaners in public buildings with fifteen years' service are classified as temporaries and others doing the same class of work in the same building with less than two years of service are classified as permanent.

Thus we have employees who have been for many years in the service still carrying on as temporaries, while others in the same building and doing the same class of work are on the permanent list and enjoying or having the prospect of enjoying the privileges that accrue to permanent employees. There are other cases: for instance all the employees in the Income Tax branch who have for many years been asking to be recognized as permanent employees. I am not at the moment arguing with regard to appointment by the civil service. What I am asking is that these employees, who are obviously regular employees of the government as much as any others who are ranked as permanent, should enjoy the same privileges and advantages as their fellow employees enjoy. That in a nutshell is my point and frankly I think this condition ought to be rectified. For the last three years and prior to that, but particularly during the last three years, they have been asking very urgently for this redress; they have been waiting from time to time, assured that redress would in all probability be afforded when certain consideration was given to the various acts affecting this. I am informed by these officials that they have during the last few weeks been anxiously awaiting the introduction of this legislation expecting that their grievances will be remedied under it. I would take this opportunity of urging the minister to make provision in this bill to take care of these various classes of temporary employees.

Mr. CLARK: This is an opportune time for the Minister of Finance to take this matter under consideration, and, in connection with the legislation now proposed to introduce a measure which will make permanent employees who have had a long service not only in the public departments but in branches mentioned by the hon. member for Vancouver Centre (Mr. Stevens), and service overseas for a period of years preceding their service in the branches. Some of these men have now been serving the country for thirteen years. This matter has been brought repeatedly to the attention of the government. I myself have brought it to the attention of the government on at least three occasions this year and each time I have received an assurance that the matter was under consideration. Furthermore, on one occasion, I am not sure in what year, this matter was dealt with by order in council so that the claims of the cases referred to were in that way recognized.

One class not referred to by the hon. member for Vancouver is that of employees in the Soldier Settlement Board, who are to-day, I believe, carrying on work in connection with the empire settlement scheme. This is clearly not a temporary work such as the soldier settlement scheme might have been considered. They are being used now for the general work in connection with immigration, a very important work. The claims of these men should be recognized; they should be put on the same basis as other members of the civil service. I hope when this bill is introduced the minister will have dealt with these claims. It is not a difficult matter because it has been investigated before, and the claims have been recognized. I feel certain it is a simple matter to deal justly with them at this session.

Mr. ADSHEAD: I also have a large file with letters on it from various departments of the civil service, especially from western Canada. I did not know that this matter was coming up to-night, and so I am not able at this time to discuss it. I would like to ask the minister whether, when he brings down his bill, it would be opportune to discuss this matter. I suppose it would not be too late then to offer some suggestions and to have the minister take them into consideration.

Mr. ROBB: When hon. gentlemen have the bill before them they will be in a better position to discuss the whole bill.

Mr. ROSS (Kingston): Will the bill to be founded upon this resolution take care of the promise made by the Prime Minister the other evening as to the extension of time which employees in certain departments would be given for election?

Mr. ROBB: Perhaps my hon. friend was not in the House a few minutes ago when I made the explanation.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 231, to amend the Civil Service Superannuation Act, 1924.

Motion agreed to and bill read the first time.

CIVIL SERVANTS' WIDOWS' ANNUITIES

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide annuities for the widows of certain civil servants.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. WOODSWORTH: Will the minister explain the class of civil servants included in this measure?

Mr. ROBB: The widows of certain civil servants retired under the provisions of the old Superannuation Act have petitioned that provision be made for annuities to them to the amount of one-quarter of the allowances drawn by their husbands. This provision for widows is the same as is contained in the new Superannuation Act for the wives of persons still in the service who transferred to the new act and did not elect to pay arrears to bring their contributions for their whole service up to five per cent.

[Mr. Clark.]

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 232, to provide annuities for the widows of certain civil servants.

Motion agreed to and bill read the first time.

BONUS TO COKING PLANTS

Hon. CHARLES STEWART (Minister of Mines) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide encouragement for the production of a domestic fuel by heat treatment from coal mined in Canada, by means of cash payments made to those who produce such fuel in new plants from Canadian coal.

Mr. A. A. HEAPS (North Winnipeg): Before this motion is agreed to I would like to have some explanation from the minister in respect of this particular resolution.

Mr. STEWART (Edmonton): The bill will speak for itself, and I would much rather make the explanation on the second reading, it would be more appropriate. However, I would say to my hon. friend that this is practically the same bill as that introduced last year, to give assistance to coking plants.

Mr. HEAPS: Is this done in connection with the maritime report?

Mr. STEWART (Edmonton): Yes, it is fulfilling part of the Duncan report.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: I would like one word of explanation on this. What does the government propose to do?

Mr. STEWART (Edmonton): This is part of the provision to meet the recommendations of the Duncan report, and merely provides for the same assistance provided in the bill introduced last year to new plants for the transformation of Canadian coal into coke.

Mr. GUTHRIE: On what basis is the assistance to be given?

Mr. STEWART (Edmonton): Assistance will be given to those who construct plants on the basis of the cost of the plant.

Mr. GUTHRIE: What does that amount to?

Mr. STEWART (Edmonton): Four per cent on the cost of the plant in the case of

private interests and five per cent in the case of municipalities. It is rather difficult to explain an intricate measure of this kind until the bill is before the House.

Mr. GUTHRIE: I just wanted a general explanation.

Mr. STEWART (Edmonton): Those are, in general, the provisions of the bill.

Mr. GARDINER: That will extend over a period of years?

Mr. STEWART (Edmonton): Yes, a period of fifteen years.

Resolution reported, read the second time and concurred in. Mr. Stewart (Edmonton) thereupon moved for leave to introduce Bill No. 233, to encourage the production of domestic fuel from coal mined in Canada.

Motion agreed to and bill read the first time.

PENSION ACT AMENDMENT

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment) moved that the House go into committee to considered the following proposed resolution:

Resolved, that it is expedient to amend the provisions of the Pension Act relating to the Federal Appeal Board, and to designate the number of members of which the board shall consist, the duration of their term of office, and their eligibility for reappointment.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. MANION: Would the minister be good enough to explain the purpose of this resolution?

Mr. KING (Kootenay): This resolution, and the bill to be founded on it will permit of the reappointment of some of the Federal Appeal Board commissioners in order that they may continue their work. There is this further change: whereas the act to-day reads that there shall be from five to seven members, it is proposed under the bill that there shall be three to seven members, thus permitting the government to reduce the number if they find it necessary to do so.

Mr. MANION: Are these appointments at the present time only temporary?

Mr. KING (Kootenay): The last amendment to the act gave the government the right to make appointments for two years. That period will expire this season, and it is now proposed to extend the time or to grant power to reappoint if necessary.

Mr. MANION: Is the government reducing the number to three instead of five?

Mr. KING (Kootenay): It will be in the government's power to do so, if the legislation passes, but it will be dependent upon the amount of work to be done. As it is now the membership may be five to seven; we are taking the right to make it three to seven. The number will probably be lessened if and when the work gets less.

Mr. MANION: For how many years are the members of the board to be appointed?

Mr. KING (Kootenay): In the bill the period proposed is five years. It will be within the power of the government at any rate to fix a time within this period. We think it better to have a fixed term rather than to be bringing in amendments every second year.

Mr. ADSHEAD: There is no idea of changing the personnel of the board?

Mr. PRICE: This is an opportune time to interrogate the minister in regard to some question which I placed on the order paper at least ten days or two weeks ago—to be precise, on March 9. Those questions read:

1. Will legislation be introduced at this session of parliament providing relief for disabled and partially disabled war veterans at present excluded from pension benefits owing to the existing regulations?
2. When will the bill be introduced for the said purpose?

Now the minister has had ample opportunity to reply to these questions, and seeing that the matter involved is one of very great importance to returned men who have been unable to qualify under the present regulations, I should like to ask the minister what he has to say about it. I should like the minister to intimate, if it is possible for him to do so, that he is prepared to bring down legislation to provide for these men who are unable to carry on and to look after themselves. They should be well provided for, in view of their services at the front.

Mr. KING (Kootenay): I must apologize to my hon. friend and to the House for not answering his questions earlier. An answer was prepared but it was not sufficiently direct and on that account I withheld it. I hope to give my hon. friend a reply within the next day or two.

Mr. ESLING: Is it not a fact that at the present time it takes almost a year to get a case before the appeal board, and is not that delay due to the fact that the board has to cope with such a volume of work?

Mr. KING (Kootenay): I did not hear my hon. friend's question.

Mr. ESLING: Is it not a fact that it requires almost a year for the appeal board to dispose of a case, for the reason that there are so many other cases awaiting decision? Yet this resolution proposes to reduce the number of members of the appeal board at the government's discretion, and that, apparently, will create further delay.

Mr. KING (Kootenay): No, I think not. It will be within the discretion of the government to reduce the number of members if they find the work is slackening off. There are many appeals yet to be heard, and the desire of the government now is to make it possible to reappoint the members of the board in order that the work may go on. If later it is found that the work is lessening and that it would be desirable to reduce the number of members, it will be within the power of the government to do so.

Mr. ESLING: Are you not in receipt of complaints to-day that these appeals are just about one year behind? Have not representations to that effect been made to the minister? If that is true, and if you reduce the number of members of the board, it will mean that there will be that much longer delay.

Mr. KING (Kootenay): We do not propose to reduce the number now; we are taking power to do that in the event of the work slackening. What we have in mind is that the work shall be properly carried on. As to the number of appeals coming before the board, my hon. friend will admit, I think, that the task they have is a very difficult one. They can only accomplish so much work and the cases coming before them must be dealt with in turn. I understand the board are travelling east and west trying to overtake the work entrusted to them with a view to cleaning up, but in view of the number of appeals it will take some time to do that.

Mr. GARDINER: There is just one point upon which I should like to ask the minister for information. Some little time ago a case was brought to my notice in which it was proposed to apply for an appeal. This case will be heard in western Canada. Now I was notified by one of the officials of the appeal board that when the board reaches this particular point in western Canada in the spring, some time in April or May, no more appeals will be accepted for the present. That will mean that this particular appeal will not be heard until a year later. Is that the method of transacting business followed by the board? Is it not possible to arrange that they shall hear all pending appeals from that particular point when they get there this spring?

Mr. KING (Kootenay): I am not familiar with the case my hon. friend speaks of, but I shall be very glad to bring it to the attention of the chairman of the board. I think when the board go west they should try to clear up all the cases that have been presented to them.

Mr. GARDINER: I merely make the suggestion that when the appeal board is sitting in any particular district it should stay there long enough to clean up all these appeals.

Mr. KING (Kootenay): I think so.

Mr. GARDINER: It is a waste of time and a great inconvenience to men appealing to have their cases put off for another twelve months.

Mr. McGIBBON: What is the minister's information as to the real necessity for this board? That is to say, are there many findings of the pension commissioners that are found, upon appeal, to be unjust to the soldiers, in the view of the appeal board?

Mr. KING (Kootenay): I have not the figures before me that would give the information for which my hon. friend asks; I did not know the resolution was coming up to-night. But when the bill comes up for second reading I shall have the figures here, and I think it will be shown that the creation of the appeal board has been justified; they have heard many cases. Some have been consented to and in other cases the judgment has confirmed the decision of the pension board. In the majority of cases the decision of the pension board has been confirmed, but in other cases a contrary finding has been brought in. Taking everything into consideration we think the creation of the appeal board has been justified and that they have performed a useful service.

Mr. McGIBBON: On what particular grounds are most of the appeals based? Is there any regulation covering the matter?

Mr. KING (Kootenay): I understand that the soldier who has been refused a pension by the pension board on the grounds of non-attributability to service may appeal to the appeal board, and many cases have been appealed.

Mr. McGIBBON: I had a case before the board a few years ago where the appeal board—I am speaking from memory—found

an aggravated disability, but could not award any pension because the primary board had stated that there was no disability. It seems to me that that is an anomaly in the act that should be corrected, and I would like to hear from the minister in regard to it.

Mr. KING (Kootenay): I think there are difficulties there. Generally speaking I think these appeals are being taken and in the majority of cases, in fact, in practically every case, the appeal is sustained and a pension awarded. But in some cases there has been disagreement between the pension board and the appeal board, and such cases are allowed to stand.

Mr. McGIBBON: It would seem to me that in that case the main purpose of the appeal board is defeated. A man makes application to the pension board for a pension, he is refused, and he appeals to the appeal board, and although they find that he is entitled to a pension he cannot receive one owing to the previous decision of the primary board. Does not that seem ridiculous?

Mr. ADSHEAD: Is this seven-year limitation a cast iron rule so far as disability is concerned?

Mr. KING (Kootenay): Yes, according to the act to-day.

Mr. MILLAR: Does the lodging of an appeal entail any cost?

Mr. KING (Kootenay): I think not.

Mr. PRICE: I should like to ask the minister again in regard to a question I have had standing on the order paper since March 9th, reading as follows:

1. Will legislation be introduced at this session of parliament providing relief for disabled and partially disabled war veterans at present excluded from pension benefits owing to existing regulations?
2. If so, when will the bill be introduced for the said purpose?

I would ask the minister whether or not he intends to bring down this legislation at the present session. He is throughly aware that hundreds of cases are not provided for under the present regulations. These men cannot possibly qualify for pensions under the present regulations, and I think it is up to the minister to let me have a reply to this question which I have had standing on the order paper for over two weeks. I would like some satisfaction. The minister has had hundreds and hundreds of complaints with regard to this matter. He must be in a position to size up the situation and I would like to know whether he will or will not bring down legislation at this session to provide for cases of this kind. I want a direct answer, yes or no.

Mr. KING (Kootenay): Mr. Chairman, the question will be answered in accordance with the usual procedure.

Mr. PRICE: That is no satisfaction.

Mr. BRADY: I would like to draw the attention of the minister to a case that is more or less individual, but there are many such in Canada to-day. I refer to those returned soldiers who are debarred by the statute of limitations from obtaining a pension. After they came back from the war they did not apply for a pension for a period of years and when they did apply it was too late. I realize that if the law were left wide open many would apply who might not deserve a pension; nevertheless these men to whom I refer were big enough and patriotic enough to join the colours when the country needed them, and because they did not apply for a pension within a certain period after their return, to-day some of them although incapable of working, are outside relief. I know of a case or two where a returned soldier is dependent on the charity of the provincial government and is an inmate of a convalescent home. Those men are there, dependent on charity, simply because they did not ask for a pension within the time required. They are there as the result of their war service, but they are absolutely outside the pale of any consideration under the present law. I do not blame the government because I believe in the statute of limitations, but I do say that in this year of our diamond jubilee these particular cases should be considered. Some of these returned men to-day are physically unable to carry on even the common functions of life. Surely the government should listen with respect to the advice of the medical authorities who vouch for these cases and provide some relief for these deserving men. I appeal to the minister to give this matter his most serious consideration, and see if relief cannot be provided this session for these cases that are debarred otherwise from relief.

Mr. PRICE: I think I am entitled to an answer from the minister, and I think I am entitled to an answer, yes or no. Does the minister propose to do something at this session, or does he not? He is thoroughly familiar with the situation. He knows that there are hundreds of returned men in Canada to-day who are not fit to carry on, but who cannot qualify for a pension under the

present regulations. The minister cannot have escaped considering this situation, because he has had hundreds of applications for a pension from these men. That is admitted, and I think it is our duty to make provision for such cases at this session. I again appeal to the minister to give me a yes or no answer as to whether he proposes to bring down the necessary legislation at this session to see that these cases are adequately provided for. We are entitled to the information; it is due not only to myself, but to the country.

Mr. KING (Kootenay): I can only say, Mr. Chairman, that the question will be answered in the usual course when questions are called.

Mr. MANION: I think the question asked by the hon. member is a fair one. We are getting within reasonable distance of the end of the session. It is quite possible that we shall be out of here in three weeks, and I hope we will. That being so, it seems to me the government might well tell us what legislation they are going to bring down. We are dealing with the question of pensions and I think it is only fair that the question should be answered. The minister knows whether he is going to bring down any legislation this year to modify the Pensions Act. If he is not going to introduce further legislation he can give a straight answer, and I think we should not have to wait for the answer to the question on the order paper.

Mr. KING (Kootenay): The matter has been and is still under consideration, and I am not in a position to state to-night what legislation will be brought down. The answer prepared by the department was not satisfactory; I considered it evasive, and I preferred to make a direct answer. I apologize to my hon. friend for not having an answer, but as I say, there will be a direct answer when questions are called. I thought that to-night the resolution would be accepted. It deals more or less with the appeal board and the question whether their term should be extended. If it is desired that the Pension Act be discussed on the second reading of the bill, well and good. I rather thought that when the estimates of the Department of Soldiers Civil Re-establishment were before the House there would be an opportunity of discussing the matter of legislation regarding pensions. My hon. friend from Skeena a few moments ago suggested that we should do more than we are doing. I think if he would get in touch with the pension commissioners and the officers of the department he might obtain some information. Although there is a limitation of seven years, many cases are being dealt with to-day; the files of the soldier, or indirect evidence, are being considered, and many cases are brought before the board. Whether or not the period of seven years should be extended is a matter that I think should be discussed later, and I shall be glad to discuss it.

Mr. MANION: When questions are called, probably on Monday next, the minister will give an answer?

Mr. KING (Kootenay): I think so.

Mr. ADSHEAD: Will the question of the limitation of seven years be up for discussion before the session closes?

Mr. KING (Kootenay): Yes, on supply perhaps, or on the second reading.

Mr. MILLAR: Has the pension board the right to go beyond the seven years?

Mr. KING (Kootenay): Yes. If evidence is adduced before the pension board that the soldier had disability during service—and his file will show that, that would be considered as an application as of date of entry on the file. Some of these cases are difficult and possibly slow in development, but many of them are being dealt with.

Mr. McGIBBON: Seeing that the minister is making provision to decrease if necessary the personnel of the appeal board, why has it been found necessary in the last six months to increase the personnel of the Board of Pension Commissioners? Why is it, when probably the peak of work in connection with the work of pensions has been passed, that the minister has found it necessary in the last six months to add to that board by order in council? I am not criticizing the appointment, but why was it necesary?

Mr. KING (Kootenay): There is no intention at the present time to reduce the number of members of the appeal board, but in bringing in the legislation extending the period for five years we hope that in the course of three or four years their work will be pretty well concluded, and it may be possible to reduce the number. The suggestion comes from the chairman that the reduction might be made if the work should justify it. In regard to increasing the number of members of the pension board, it is true that an order in council was passed providing that one of the members of the service, a medical man, should sit in with the board and form a quorum. The board have found it necessary to do some travelling, and they sug-

gested that Dr. Keyes be made a member of the board in order that they might have a quorum if they were travelling outside of Ottawa. There has been no increase in the staff as far as that is concerned.

Mr. McGIBBON: I cannot see that it is a sufficient reason for increasing the personnel of the board seven or eight years after the war, especially when the great bulk of the work has been done.

Mr. KING (Kootenay): I wish it were.

Mr. McGIBBON: I differ from the minister. The preliminary examination, getting the history and so on, constitute, to my mind, the great bulk of the work. I am not criticizing the appointment; neither am I criticizing the fact that he has two medical men on that board. But there is one medical man on that board—I am not blaming the minister for it—who had no service at the front. I do not think that is fair. These positions, especially the higher positions of emolument, should if possible be given to people who actually suffered and were disabled, not to people who came back perfectly well, who probably did not have any more than a Cook's tour, as is the case with one of the medical men on that board. I think Colonel Thompson is an excellent man, and probably the recent appointment is just as good, but I cannot see any necessity to increase the staff seven or eight years after the war. The position carries $6,000 a year, I think. The time has come, in my opinion at least, when the creating of positions of considerable emolument should be at an end.

Mr. KING (Kootenay): I know my hon. friend wants to be fair. The addition to the board has not increased the expenditure in any way. The officer who is serving at the suggestion of the chairman and members of the board is in the service as a medical officer and there has been no increase in the salary paid to him. It is merely to facilitate the business of the board that he may sit in and form a quorum when necessary.

Mr. McGIBBON: I do not want to be understood as criticizing the appointment or the salary. But is it not a fact that members of the Board of Pension Commissioners are paid higher salaries than medical men in the service?

Mr. KING (Kootenay): I think so.

Mr. McGIBBON: Then you increase the expense.

Mr. KING (Kootenay): No.

Mr. McGIBBON: Then you were not fair to the appointee.

Mr. KING (Kootenay): This gentleman is merely filling in to form a quorum when necessary. There is no increase in salary; it is merely to facilitate the work of the board and has been done at the request of the board.

Mr. McGIBBON: I am getting further at sea all the time. He is either a member of the board of commissioners or he is not. If he is he ought to receive the same salary as the others.

Mr. KING (Kootenay): He is not a member of the board. I will be very glad to lay the order in council on the table, so that my hon. friend will understand it. There are times when a quorum is required. This gentleman is thoroughly familiar with the work and it is necessary that they should have a quorum in order to make a decision. He fills in on such occasions and acts in that capacity:

Mr. McGIBBON: Then he is not permanent?

Mr. KING (Kootenay): He is not considered permanent.

Mr. ROSS (Kingston): Will the minister be prepared when he brings in this bill to discuss the handicaps under which the Federal Appeal Board operates? Let me recount one of them. The Federal Appeal Board cannot change the diagnosis of the pension board, and upon that depends whether or not the ex-service man receives a pension. I contend that the appeal board should be able to decide the diagnosis just as well as the pension board.

Mr. KING (Kootenay): I shall be very glad to have a discussion on that when the bill is before the House for second reading or on the estimates of the department. I think the discussion would be useful, for an important principle is involved.

Mr. McGIBBON: That is the very point I brought up. I can cite the minister a case where the Board of Pension Commissioners found no disability—I am not saying whether they were right or wrong—but the appeal board found there was disability. However, they could do nothing. Is not the position absurd? Will not the minister give this consideration in order to rectify what is obviously a defect in the act? I appreciate his difficulties, but we must not forget these cases.

Mr. KING (Kootenay): I appreciate what my hon. friend says. We are dealing with a difficult proposition. On two occasions the

House decided that the soldiers should have an appeal on the conditions stated, but I understand it failed to pass the upper chamber.

Mr. McGIBBON: I did not know that.

Mr. KING (Kootenay): That is the situation as I understand it.

Mr. McGIBBON: Thanks very much.

Resolutions reported, read the second time and concurred in. Mr. King (Kootenay) thereupon moved to introduce Bill No. 234, to amend The Pension Act.

Motion agreed to and bill read the first time.

TRADE MARK AND DESIGN ACT AMENDMENT

Hon. PETER HEENAN (Minister of Labour) moved the second reading of Bill No. 171 to amend the Trade Mark and Design Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Definitions—"Labour Union" or "Union"—"Label".

Mr. STEVENS: On this clause would the minister kindly give us an outline of the intention of the bill so we may save time?

Mr. HEENAN: The bill simply gives permission to the labour unions to register their labels. Similar permission is granted in Great Britain and in forty-eight states of the union. But it is provided that no union label may be placed on goods without the authority of their proprietor. Power is given the Exchequer court to cancel the label under certain conditions. The bill also provides that once an employer gets the right to place the label on any of his goods, that right cannot be withdrawn without giving twelve months' notice. The Minister of Trade and Commerce is the judge as to what labels may be registered.

Mr. MANION: In regard to the twelve-month notice, the hon. member for Lincoln (Mr. Chaplin) mentioned to me a few minutes ago that he thinks in some cases this notice is not sufficient. But according to my reading of clause 6, subsection (b) the point is covered. This is the subsection:

> A labour union may authorize the use of any label registered by it and such authorization to use shall be subject to cancellation only upon twelve months' notice, unless otherwise specified in any agreement for the use of such label; and any goods may be at any time sold bearing such label, if when such label was used in respect of such goods, the person, firm or corporation was so authorized.

Will the minister tell me if I am correct in this? Suppose a company making a certain line of goods gives permission to the labour union to put on the label, and subsequently the union withdraws the permission, if the company at the end of the year still has some goods on hand so labelled they will be permitted to sell those goods?

Mr. HEENAN: The section is intended to cover that point.

Mr. MANION: I think it does cover it Apparently my hon. friend did not turn over the page. He is not very strongly in favour of the bill and had hoped to be here to discuss it. In subsection 3 of section 2 it is provided that the label shall not be placed upon any goods without the consent of the owner or proprietor of such goods. It seems to me that the owner is pretty well protected.

Mr. HEENAN: Yes. The representatives of the employers and the employees met the Labour department officials and agreed to the bill.

Mr. MANION: My interpretation is correct in respect to those two points?

Mr. HEENAN: Yes.

Mr. STEVENS: Does the label become a proprietary label just like an ordinary trade mark?

Mr. HEENAN: It will, after the bill is passed.

Mr. STEVENS: Then this legislation is really administered by the Department of Trade and Commerce?

Mr. HEENAN: Yes.

Mr. STEVENS: Is the Minister of Trade and Commerce alive to what the Minister of Labour is doing? The Minister of Labour is not putting anything over him in the dark in his absence?

Mr. HEENAN: The Minister of Labour would not do that.

Section agreed to.

Sections 2 to 7 inclusive agreed to.

On section 8—Suit of proprietor.

Mr. STEVENS: Can anyone but a member of a union apply to the Exchequer court for cancellation of registration?

Mr. HEENAN: Nobody but a labour union under the signature of the president or secretary.

Mr. STEVENS: According to that no other person would have the right of entry to the Exchequer court.

Mr. HEENAN: That is my understanding of it.

Mr. STEVENS: Is there any objection to anybody else having that right?

Mr. HEENAN: It would not fill the bill if any person could apply for a labour union label.

Mr. STEVENS: This is for cancellation of registration.

Mr. HEENAN: I did not catch the question properly. Anybody can apply for cancellation.

Mr. STEVENS: Would the minister be good enough to show me where that occurs in the bill?

Mr. HEENAN: Section 7 reads:

The Exchequer court of Canada may, on application—

It does not say who should apply.

Mr. STEVENS: Section 7 which has just been passed, provides that the Exchequer court may, on application, cancel the registration. Then section 8, as I read it, limits the power to apply to the Exchequer court to officers and so forth, of a labour union. But the other party to the agreement provided for, I think, in section 6, would not have the same right. Would the minister be good enough to explain why the other party to the agreement would not also have the right to apply to the Exchequer court?

Mr. HEENAN: I figure that any person would have the right to apply to the Exchequer court for cancellation.

Mr. STEVENS: That would appear to me to be common sense, but I do not see it provided for in this section; indeed, I think the reverse is the case. I had the opinion that the minister really intended that application could be made to the court by either party to the agreement, but section 8 limits that to one side of the agreement, to one party.

Mr. GUTHRIE: A difficulty arises here. In the act, section 18, which section 7 of the bill proposes to amend, provides that:

Any person who has registred a trade mark may petition for the cancellation of the same.

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And so on. Then subsection (3) of section 7 of this bill provides:

The Exchequer court of Canada may, on application and after investigation and hearing of the parties concerned, direct the cancellation of the registration of any label.

And so on. That would look as if any person could apply for the cancellation of registration of a union trade mark or label, but in the case of a private trade mark only the person who has registered may apply for the cancellation. Is it the intention of the minister that the public at large shall be entitled to apply to the Exchequer court for cancellation, or only the person or union that has registered?

Mr. HEENAN: I have not studied that question, but section 8 does not deal with the question of cancellation at all.

Mr. GUTHRIE: I am speaking of section 7. That is where the difficulty arises.

Mr. HEENAN: I would say that the person who owns the label would be the one who would apply for cancellation.

Mr. GUTHRIE: Then section 7 should be amended to make it conform to the provisions of section 18, which is printed on the opposite page, and which provides that only the person who registers is entitled to apply for cancellation. The language of the bill would imply that any person, including the trade union, can apply to the Exchequer court for cancellation of the trade union label.

Mr. HEENAN: Would this meet the difficulty?

The Exchequer court of Canada may, on application by the proprietor of the label—

Mr. GUTHRIE: On application of the person or union who has registered the label.

Mr. HEENAN: I think my hon. friend is right there.

Mr. STEVENS: It might be well to let this go as it is. We have drawn the minister's attention to the possible anomaly. If the minister will give the matter thought, an amendment can be made later, if necessary, in the Senate.

Section agreed to.

Sections 9 and 10 agreed to.

Bill reported, read the third time and passed.

FOOD AND DRUGS ACT, 1920, AMENDMENT

Hon. J. H. KING (Minister of Health) moved the third reading of Bill No. 105, to amend the Food and Drugs Act, 1920.

Motion agreed to and bill read the third time and passed.

CANADA GRAIN ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture, for the Minister of Trade and Commerce) moved that the House go into committee on the following proposed resolution:

Resolved, that it is expedient to amend the Canada Grain Act (1925, c. 33) in respect to the issue of warehouse receipts by a private terminal to the shipper or his consignee, and as to the contents of warehouse receipts issued by the person operating any country elevator.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GARDINER: Will the minister explain?

Mr. MOTHERWELL: The major feature of this measure is the same as the legislation which was before the House last year in the form of a private bill sponsored by the hon. member for Mackenzie (Mr. Campbell). It first saw the light of day in the form of a subsection of a certain section of the original bill of 1925 known as the Turgeon draft bill, but for reasons I do not need to go into, it did not get through the House. Last year the measure did get through this House but became stranded in the Senate, also for reasons which I need not go into.

Mr. CAMPBELL: Might I ask the minister if this is the same as Bill No. 8 of last year in its entirety? I noticed that the minister said it was the same in the major parts.

Mr. MOTHERWELL: There was a section added to it by the hon. member for Moose Jaw (Mr. Ross) last year which is not included this year.

Mr. CAMPBELL: That was merely an amendment in committee, but I wish to know if the provisions of the original bill are precisely the same.

Mr. MOTHERWELL: The provisions of the bill of last year will be found included word for word. The bill which is based upon this resolution is identical with the Turgeon draft of 1925 and the private bill of last year.

Mr. GARDINER: Are there any other proposed amendments to the Grain Act?

[Mr. Stevens.]

Mr. MOTHERWELL: Yes, there is a very small one, but I forget its nature; it is comparatively unimportant. I believe it is requested by the pools.

Resolution reported, read the second time and concurred in. Mr. Motherwell thereupon moved for leave to introduce Bill No. 235, to amend The Canada Grain Act.

Motion agreed to and bill read the first time.

SUPPLY

The House in committee of supply, Mr. Johnston in the chair.

Pensions—further amount required, $500,000.

Mr. CAMPBELL: Might we have some explanation of this vote?

Mr. ROBB: This further amount is required to cover the retroactive awards made by the Board of Pension Commisisoners and the Federal Appeal Board.

Item agreed to.

To provide for legal expenses in connection with Winnipeg coal inquiry cases, $15,000.

Mr. SPENCER: May we have some further particulars in regard to this vote?

Mr. ROBB: It is to provide for the legal expenses in connection with the Winnipeg coal inquiry cases. The amount will be taxed by the Department of Justice.

Item agreed to.

Resolutions reported, read the second time and concurred in.

WAYS AND MEANS

SUPPLY BILL

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee of ways and means.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. ROBB moved:

Resolved that towards making good the supply granted to His Majesty on account of certain expenses of the public service for the fiscal year ending 31st March, 1927, the sum of $860,331.05 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 236, for granting to His Majesty a certain sum of money for the public service of the financial year ending the 31st March, 1927.

Motion agreed to and bill read the first and second time, considered in committee, reported, read the third time and passed.

On motion of Mr. Mackenzie King the House adjourned at 11.15 p.m.

Monday, March 28, 1927.

The House met at three o'clock.

PRIVATE BILLS

FIRST READINGS

Bill No. 237, to incorporate The Red River Driving Club.—Mr. Beaubien.

Bill No. 238, respecting The Subsidiary High Court of the Ancient Order of Foresters in the Dominion of Canada.—Mr. Bell (Hamilton West).

JOINT COMMITTEE ON PRINTING

Hon. CHARLES MARCIL (Bonaventure) moved:

That the first report of the joint committee on printing be concurred in.

Motion agreed to.

COMMITTEE ON STANDING ORDERS

Mr. E. A. LAPIERRE (Nipissing) moved:

That the fourth and fifth reports of the select standing committee on standing orders presented to the House on Thursday, 17th March, and on Friday, 25th March, respectively be concurred in.

Mr. GUTHRIE: Will the chairman kindly intimate what the reports contain.

Mr. LAPIERRE: The fourth report recommends that the bills which passed the House last session and did not receive the royal assent be passed at this session of parliament. The fifth report contains the evidence adduced before the committee, showing that the petition respecting a private bill was forwarded in error to the office of the Secretary of State and did not for that reason reach the House in time to be filed within the period prescribed for the receipt of petitions for private bills.

Motion agreed to.

CRIMINAL CODE AMENDMENT

SEDITION AND SEDITIOUS LIBEL

Hon. ERNEST LAPOINTE (Minister of Justice) moved for leave to introduce Bill No. 239, to amend the Criminal Code.

Mr. GUTHRIE: Explain please.

Mr. LAPOINTE: This bill is similar to one which was adopted by the House last year but did not pass the Senate. The object is to repeal certain sections of the code which were added in 1919 concerning sedition and seditious libel to re-enact the provisions of the code as they were before those amendments.

Motion agreed to and bill read the first time.

CUSTOMS TARIFF—DRAWBACK ON AUTOMOBILES

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, I desire to bring to the attention of the Minister of Customs (Mr. Euler) an announcement which appeared in the Border Cities Star of Friday, March 25, and to ask him one or two questions in regard to it. The article reads:

Work will be started immediately on remodeling the plant of Canadian Products Limited, division of General Motors of Canada Limited, on Walker road, and the huge factories, will be reopened by January 1, 1928, according to a message received from Ottawa this afternoon sent by Edmond G. Odette, M.P., for Essex North.

The reason advanced by officials was that the existing Canadian tariff prevented the operation of the local industry on a profitable basis. Since the first of this year Mr. Odette has been working strenuously in an effort to have the tariff provisions which forced the closing of the Canadian Products factories modified. In his message to The Border Cities Star, the Essex North M.P. announced that he had finally been successful, and that the objectionable customs regulations had been modified.

I would ask the minister if any change has been made either in the tariff or the tariff regulations as stated by the hon. member for East Essex (Mr. Odette); if so, was it done by order in council; and if such order was passed, will he lay it on the table of the House?

Hon. W. D. EULER (Minister of Customs and Excise): Mr. Speaker, I have not seen the article in question, and I may say to my hon. friend that no such order in council has been passed. However, I think I know to what the article has reference—to the interpretation of the act passed last year whereby certain drawbacks were permitted in the case of 40 per cent Canadian content being in the manufacture of a car or, after April 1 of this year, 50 per cent. As to what would constitute 40 per cent or 50 per cent Canadian content respectively, was something for interpretation by the department. Representations were made that, for example, each model of any make of car should be required to come

up to 50 per cent Canadian content; others stated that it ought to be allowed to spread over all the models of a certain make of car; others thought it should be applied on the product of the whole factory. While no order has yet been made, it may be that this will be done to meet the views of those who think they can extend their industry more under a certain interpretation of the act.

Mr. GUTHRIE: Under a little more protection, it will mean.

Mr. EULER: I rather think a little less.

Mr. STEVENS: Will the minister please do the House the courtesy of making the announcement from his seat when this important change is made in the interpretation of the tariff?

Mr. EULER: It is not an interpretation of the tariff at all. It is merely a matter of judgment as to whether you shall regard the product of a whole factory as being entitled to the drawback or whether it should be restricted to any particular model of car. That is all. However, if desired, I will make a statement to the House when the matter is finally settled.

CANADIAN MINISTER AT WASHINGTON

CORRESPONDENCE RESPECTING APPOINTMENT

On the Orders of the Day:

Mr. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, in the absence of the Prime Minister I would ask the Minister of Justice (Mr. Lapointe)—he is leading the House—as to whether we may expect by to-morrow a compliance with the order of the House for the letters of credence issued to the Hon. Vincent Massey as envoy plenipotentiary to Washington, the order in council passed by the Canadian government with regard to his appointment, the correspondence with respect to that appointment between the Canadian government and the Imperial government, and any order in council of the Imperial government with respect to this appointment to which the government has access. I should like these papers to be laid on the table of the House prior to the discussion on the Imperial conference report, which I understand is to take place to-morrow.

Hon. ERNEST LAPOINTE (Minister of Justice): I shall be pleased to convey the request of my hon. friend to the Prime Minister, and I have no doubt it will be complied with.

[Mr. Euler.]

IMMIGRATION PUBLICITY

CANADIAN PACIFIC RAILWAY LEAFLET

On the Orders of the Day:

Mr. JOHN EVANS (Rosetown): Mr. Speaker, seeing the Minister of Immigration (Mr. Forke) is in his seat, I desire to inform him that I hold in my hand a leaflet issued by the Canadian Pacific Railway, which is evidently distributed throughout the British Isles, calling for 14,000 farm labourers for Canada, and guaranteeing them employment. Is the minister aware of this, and are such leaflets distributed as part of the policy of the Immigration department?

Hon. ROBERT FORKE (Minister of Immigration and Colonization): Mr. Speaker, apparently the leaflet is issued by the Canadian Pacific Railway Company, and as the company is guaranteeing employment, I do not see any reason for any explanation on my part. The Canadian Pacific is a responsible corporation. It is bringing out immigrants and promising to furnish them employment or to see that they get employment. I have nothing further to add.

Mr. W. R. FANSHER (Last Mountain): Mr. Speaker, might I ask the minister if his department has any regulations compelling steamship companies to bring out experienced farm labourers.

Mr. FORKE: I do not think there is any regulation to compel them to bring out experienced farm labourers but where they recruit experienced farm labourers and fulfil all the conditions, those immigrants are entitled to reduced fares.

THE CHINESE SITUATION

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, the other day when I asked a question with regard to China, it was treated more or less as a joke. Those of us who have relatives and friends in China do not consider the present situation as a joke. I would ask the government whether they will consider urging upon Canadian citizens now resident in China the advisability of withdrawing until after the civil war is over.

Hon. ERNEST LAPOINTE (Minister of Justice): I shall have to ask my hon. friend to allow me to submit his question to the Prime Minister for an answer to-morrow.

CANADA GRAIN ACT AMENDMENT—CORRESPONDENCE

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, perhaps in the absence of the Minister of Trade and Commerce (Mr. Malcolm) the Minister of Justice will bring to his attention my request that there be laid on the table the correspondence between the Minister of Trade and Commerce and the Board of Grain Commissioners respecting amendments to the Grain Act. The bill will be before us almost immediately, and there is not sufficient time for me to make this request in a formal motion. I am sure the government will be glad to let us have the correspondence.

Mr. LAPOINTE: Yes, I shall be pleased to ask the Minister of Trade and Commerce to do so.

INQUIRIES FOR RETURNS

PELLY POST OFFICE, YUKON

On the Orders of the Day:

Mr. GEORGE BLACK (Yukon): Mr. Speaker, I would ask the Postmaster General (Mr. Veniot) to be good enough to expedite a return ordered by this House just a month ago to-day concerning the dismissal of the postmaster from the post office of Pelly, in Yukon Territory. It should not take a clerk more than an hour to get the papers ready.

Hon. P. J. VENIOT (Postmaster General): The matter has escaped my memory. I will certainly see that the return is brought down.

NOVA SCOTIA POSTMASTERS

On the Orders of the Day:

Mr. W. G. ERNST (Queens-Lunenburg): Mr. Speaker, I should like to draw the attention of the Postmaster General to the fact that an order of the House was passed on March 16 last for a return of copies of letters and other documents relating to the dismissal of three postmasters in Lunenburg county, and to ask when compliance with the order may be expected.

Hon. P. J. VENIOT (Postmaster General): The order relates to more departments than that of the Postmaster General. I will draw the attention of the Civil Service Commission to the matter and have the papers brought down.

Mr. ERNST: Mr. Speaker, I would direct the attention of the Postmaster General to the fact that these three postmasters were not appointed by the Civil Service Commission.

Mr. VENIOT: What are their names?

Mr. ERNST: Brunswick Rhodenizer, of Upper Branch; James Backman, of Aspotogan; and M. A. Harlow of North Brookfield.

SEIZURE OF STEAMSHIP WESTERN

Mr. ERNST: I would remind the Minister of Customs that an order passed the House on March 16 for a copy of all letters, telegrams or other correspondence with reference to the seizure of the steamship Western and the disposal of its cargo. When may I expect that order to be complied with?

Hon. W. D. EULER (Minister of Customs and Excise): I will make inquiries and have the order complied with as soon as possible.

REVALUATION OF SOLDIER LANDS

On the Orders of the Day:

Mr. JOHN MILLAR (Qu'Appelle): I received this morning a letter from a returned soldier writing on behalf of a number of returned soldiers on the land, anxiously inquiring how soon they will be able to place applications with the Department of Soldiers Civil Re-establishment for revaluation of lands. They are very anxious to have an opportunity of putting in these applications before they seed their land. I want to ask the government whether it is possible to give any information on this matter at the present moment.

Hon. ROBERT FORKE (Minister of Immigration): The bill has not yet passed the House.

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL COMPANY

The House resumed from Friday, March 25, consideration of the motion of Mr. Chevrier for the second reading of Bill No. 78, respecting the Montreal, Ottawa and Georgian Bay Canal Company, and the proposed amendment thereto of Mr. Guthrie.

Mr. L. M. AUGER (Prescott): I feel rather bashful and nervous, following the hon. member for West Calgary (Mr. Bennett) who gave such a wonderful display of eloquence and fluency of language. Although I do not agree with his ideas I think I should congratulate him sincerely upon his vocabulary and the able delivery that marked his speech on Tuesday and Friday evenings. Words upon words came from the lips of the hon. member with such ease as to remind me of a

gentle rivulet winding through a meadow in a narrow and shallow bed. Or, to change the simile, he clothed his ideas in an exterior of simple dignity so that on the surface they were attractive, but underneath there was no mistaking the fact that he was a true Tory; and although he himself is an able man it must be admitted that he serves a shallow and narrow cause, the cause of Toryism. One not acquainted with Tory inconsistency might well have been surprised the other day to find an hon. gentleman so wroth against insinuations and personalities, but he himself excelled in these. He intimated on rising that his purpose was to refute the insinuations that had characterized the speech of the hon. member for Ottawa (Mr. Chevrier), and one had a right at least to expect that in his own speech he would have refrained from making insinuations. That however was not the case. The first part of his speech conveyed the unwarranted insinuation that the Prime Minister of this country (Mr. Mackenzie King) had engaged himself to renew this charter because of the electoral merits of the promoters. I do not wish to speak for the Prime Minister, but inasmuch as that strange suggestion caused so much hilarity I think it might be well to recall it to the House and ask hon. members to consider it. The hon. member painted his picture in such vivid colours that we visualized the Prime Minister listening to the Squire of Newmarket and then finding it impossible to vote against a renewal of the charter.

Sir, the picture represents a very vivacious image of what might be reality. But it is not reality; it is only fiction invented by the hon. member himself. And in view of his wonderful gift in this direction and the unlimited resources of his imagination, one is reminded of those lines from Gray's Elergy:

> Full many a flower is born to blush unseen
> And waste its sweetness on the desert air.

The rest of his speech was either an insinuation or a fallacious assertion that in voting against the amendment we on this side were playing the game of politics. We are giving 200 miles of lakes and rivers without receiving a dollar in return, spoliating the rights of Ontario and Quebec, and violating the great principle of public ownership. That is what the hon. gentleman says. Let me say that although I am not a lawyer, I shall not be deceived too easily by a member of that profession. In voting against the amendment we are not granting anything; we are not renewing the charter; we are not spoliating provincial rights, and we are not violating the principle of public ownership; we are simply declaring that in the opinion of the House the bill should go to the committee on railways and canals. As a matter of fact, all we are doing is to refuse to kill the bill at this stage, without that careful consideration which it ought to receive from the committee.

In order to make clear what my attitude is on this question, and what I gather to be the attitude of my colleagues, let me assure the House that we stand for no particular group of capitalists; we are not favouring either the Siftons or the Aldreds or the Grausteins. We are not opposed to public ownership in favour of private enterprise; we stand on the side of the government because we want a fair deal given everyone.

Mr. CHAPLIN: Which side is the government on?

Mr. AUGER: I repeat, we want everyone to get a square deal, and with that end in view we think that every project which is suggested for the purpose of contributing to a solution of our national problems should be very carefully considered. And the proposal for the construction of the Georgian bay canal, and the development of power along that route, is one of very great importance which deserves the close scrutiny of the people's representatives. That is my stand on this question, as I believe it is the stand my colleagues take. We firmly believe that if the bill were sent to the committee it could be better investigated than it can possibly be here. Now, what is the real objection to referring the bill to the committee? Is the bill of no importance? Obviously not, because the very fact that this House has spent so much time discussing it is proof that it concerns a matter of serious moment to the country. What then is the cause of the great opposition which it has encountered? It is this: that another private group is seeking for the rights of the Carillon power, and such is the situation that if the amendment is carried that private group will remain sole proprietor of the Carillon site. The House ought to consider this point carefully. The hon. member for West Calgary, the other day, gave the House the impression that if the amendment carried and the bill were rejected, the principle of public ownership would be vindicated. That is not so. Let me quote from the hon. member's speech:

> Unless this parliament intervenes, the rights of this canal and power enterprise expire on the first day of May and the rights and privileges of this private power company also expire on the first day of May. What then is the duty of parliament? Far be it from me to

suggest what that duty should be for others. What is my duty? My duty is, so far as my vote and voice are concerned, to see to it that this parliament gives no new life to an enterprise that we would not in this day create if we were called upon to do so, and that we leave the river Ottawa free, by permitting this charter to lapse and by refusing to renew the license to the private company, reserving the vested rights of the owners of the 250 horsepower development.

This is not correct; there is another lease which was granted in 1913, which does not expire until 1974.

Mr. GARLAND (Bow River): For what horse-power?

Mr. AUGER: For 250 horse-power. But I would remind the hon. member that the private group owning that lease claim to be in the position of a lessee in possession, and that they have the sole authority to develop power on the Carillon site.

Mr. GARLAND (Bow River): Only to the amount called for by their charter; unless they get additional authority they are limited to that.

Mr. AUGER: I am ready to be corrected if I am wrong, but this group claim that they possess the sole authority to develop electrical power in that region, and that no one else can proceed with a development of that kind on a large scale until 1974. Of course the Conservative members have well hidden that aspect of the case; they have not spoken of it, and their position in opposition to the renewal of this charter is well understood by everyone. It is only natural that this should be the case, because they gave to the company the leases which it obtained in the past. It would seem that they are interested in the company, according to the facts by which we may judge. In 1913 they gave this lease to the National Hydro; in 1921, at the time of the election, that lease was renewed with greater powers, and in 1926 it was renewed again.

Mr. STEVENS: Surely my hon. friend will be fair enough also to say that the lease was granted originally in 1909, and renewed in 1923-24 by the government of which he is a supporter.

Mr. AUGER: Because we stand in this case for a loyal and careful investigation of the matter; because we think it our duty to practise the virtue of justice and to safeguard the public interest and the general welfare of this country, the gallant knights backing the opposition to this bill have attacked us in various manners. They have insinuated that we were willing to violate the principle of public ownership and to despoil well-determined provincial rights; they have accused us of playing the game of politics and have depicted the Prime Minister as having made his decision on this bill on the electoral merits of the promoters. But against me personally they have come out with the most insidious attacks. The National Hydro has asked each municipality in my constituency to send in to the government the following resolution:

Moved by . . . . . seconded by . . . . that the council of the municipality of. . . . respectfully urges the parliament of Canada not to renew the charter of the Montreal, Ottawa and Georgian Bay Canal Company, known as Bill No. 78, as in our opinion this bill is not in the interests of the province of Ontario as it is an attempt to deprive the people of this province of their right to the powers to be developed from the waters of the Ottawa river; and further, that this charter has been in existence for thirty-three years, and no actual construction has taken place, and we believe the renewal of this charter would be contrary and prejudicial to the public interest.

But that is not all. The newspapers of my constituency have also attacked me, with the exception of the Prescott and Russell Advocate of L'Orignal. I quote from the Eastern Ontario Review, published at Vankleek Hill, the following open letter to myself:

An Open Letter to Mr. L. Auger, M.P.

For Prescott County as to His Position on the Georgian Bay Canal Scheme

Dear Mr. AUGER,

Your silence in parliament and moreover your reported disappearance; also the published information of the number of letters you have received from the fair sex all over the country, and the reputed number of marriage offers tendered you, has led us to wonder what you are doing in parliament.

Some hon. MEMBERS: Oh, oh.

Mr. AUGER: The letter continues:

No doubt you are aware that the county of Prescott has sent you to parliament for the good of the people of this historical county, not to further your own popularity with the fair sex. Just now a matter of vital importance is before the House of Commons, that is, the granting of another charter to the Georgian bay canal. Eight times has this question appeared, and eight times has been talked out. One division has taken place and Mr. Auger did not vote, nor was he paired. Now our youthful and handsome young member knows that if the Georgian bay canal scheme goes through that it sounds the death knell of the Carillon power development situated in the eastern corner of Prescott county and which would necessitate the spending of millions in our midst. What is his position? Does he intend to stand by Carillon or Georgian bay canal? No two ways about it. County of Prescott and its welfare versus the Sifton interests.

Another article of the same nature appeared in the same newspaper on Friday of last week. These insinuations are stupid, malicious and clumsy, but one is bound to sympathize with their author for his lack of common sense. One is also amused, because through his human cloak appears the ears and fur of the silly ass; nothing should be said in reply to this except that the man is entirely—and willingly—in error, and that he has a cause to serve which he does not openly avow. The attacks made against myself because I have not been active in working against the Georgian bay canal scheme are most unjust and unwarranted; they are not fair, because we can justify the stand we take on the amendment. We must vote against the amendment for several reasons, first that by so voting we do not grant anything, we do not accept the principle of private enterprise nor do we vote against the principle of public ownership. We do not grant a charter; we do not give away 200 miles of waterway; we give nothing to anyone. We simply desire carefully to study this scheme which is of such importance to the people of this country, and I believe that the people of Canada are sufficiently interested to desire that such a study be made. It appears that a vote for the amendment is only a vote in favour of the National Hydro, and not a vote for the principle of public ownership or the protection of provincial rights. I submit, therefore, that we have ample reason to vote against the amendment.

I think the project most important, because if the canal should be built it would mean greater facility of transportation. The fact has been demonstrated that the construction of this canal would mean a saving of time, of distance and of money in the transportation of goods from the west to the east, and from the east to the west. Its construction would result in greater facility of transportation which would help to solve one of our greatest national problems. It would help also to create a Canadian market about which our Conservative friends are continually talking. In my opinion improved transportation facilities would be more effective in building up a Canadian market than any action we could take through the medium of a tariff policy. Improved transportation would also widely advertise this country abroad. It would help to attract immigration which heretofore has been going to the United States. The republic to the south has always attracted foreign immigrants because that country has a reputation for planning and executing great works. Labourers flock there because they are reasonably sure of getting employment. If this canal were constructed it would result in such publicity for Canada as to accomplish quicker results than could be achieved through the action of immigration agents in London and other cities of the world. The construction of this work would also stimulate industry and commerce. The ordinary mind can scarcely grasp the benefits it would bring about; it would take an imagination like that of the hon. member for West Calgary to visualize them.

In concluding my remarks, let me quote not from a foreign source but from an hon. member sitting on this side of the House:

> My hope in sending this matter to the committee, would be that from that committee might come some constructive proposition that would help us to deal properly with a great national problem.

This was the view expressed by the hon. member for Lisgar (Mr. Brown). Further on in the same speech the hon. gentleman said:

> I take the position that we should send this bill to the committee, only in the hope that from the committee will come some suggestion to enable us to settle the question in the interests of the Dominion, whose rights in this great waterway are paramount.

And again:

> I am satisfied, Mr. Speaker, that this could be so done as to secure the end that we have in view—that these great natural resources shall be preserved and developed in such a way as to secure the maximum benefit for the great mass of the common people of Canada.

These observations of the hon. member for Lisgar, to my mind, contain an expression of sound Liberalism and true patriotism. I feel that in a country where private enterprise and public ownership have done so much for the public welfare we should not discriminate in favour of one or the other; after all they are only agencies. Whether a service is performed by one or the other of these instruments which the nation in the past has used to such great advantage should not concern us so much as whether the action performed is done properly and to the greatest degree will promote the common good. To private enterprise we owe the discovery, the colonization and the early development of this great Dominion, and to private enterprise we owe most of the prosperity that we enjoy. Yes, Sir, private enterprise has done so much for the welfare of Canada and is still operating so beneficially, that we cannot turn our backs upon it. It deserves better treatment than scorn, contempt and ingratitude; and if before the committee, to which I hope this bill will be referred, it is found that the Montreal, Ottawa and Georgian Bay Canal Company can carry out the great project of constructing the canal and developing electrical energy, I cannot see

that I could object to the measure for the reason that what is proposed is not a public enterprise.

Let us amend the charter, if necessary, in order to protect the rights of all concerned; but let us not delay or thwart the execution of a plan which means so much for the future of this country. In our vote on this question, let us consider not so much the question of the charter itself, let us consider not simply the principle of public ownership or the interests of the National Hydro or any other concern, let us not consider even the canal itself, but let us stand for the country that we love and cherish and whose interests we place above all other considerations.

In my opinion the stand we should take, in order to maintain our reputation as serious men, is the stand that was adopted by the hon. member for Lisgar. If we do that I am satisfied that we shall secure the end we have in view: that our great natural resources shall be preserved and developed in such a way as to secure the maximum of benefit for the great mass of the common people of Canada. Let us look to the committee to whom this project may be entrusted to consider the question in that light, and to make a careful and impartial study of the great problem of national transportation.

Mr. PETER McGIBBON (Muskoka-Ontario): In rising to continue the debate on this question, which has been discussed until the subject has almost been worn threadbare, let me say that I have no apologies to offer. I consider what is proposed here one of the greatest steals ever attempted in the twentieth century and when I say that I do not forget the things that have been put over the people of this country in the past.

After the very able speeches that have been made by the leader of the opposition (Mr. Guthrie), the hon. member for West Calgary (Mr. Bennett), and the hon. member for Bow River (Mr. Garland), it is very hard indeed, as I am sure hon. members generally will agree, to find something new or interesting to say on this subject. Nevertheless, in the few remarks that I shall make I shall endeavour to avoid as far as possible rehashing any of the statements and excuses put forward by previous speakers, except to the extent necessary to preserve the continuity of my argument.

If I had my way I would not only wipe out the charter we are considering but every charter on the Ottawa river, and leave the Ottawa river and the power thereon free as it ought to be to the people of the provinces of Ontario and Quebec. I approach the consideration of this subject, and the question of the power development that is involved from the standpoint of what will contribute most to the upbuilding of the country. I feel that the development of power is as inevitably connected with the development of our country as in our timber, our minerals, our pulpwood, or any other of our natural resources. I look forward to the time when this Dominion will have a great increase of population, and when the provinces of Ontario and Quebec will be peopled by from twelve to fifteen millions of souls. I look forward with much interest to the development of the province from which I come and I wish to preserve to the public, rather than alienate to private interests, not only the water-powers located on this river but those existing on the other streams of Canada.

The charter, the renewal of which we are considering, has been in existence for something over thirty years and those who hold it have failed to live up to its terms. Otherwise that charter would not be before us to-day for renewal. We have to consider that renewal not only in the light of past events but in the light of to-day, bearing in mind the great increase in the value of electrical energy which has come about within recent years, and the enormous demand for it. I am one of those who believe it is the duty of the government and of parliament to preserve these great heritages of the past and to administer them as a trust for the benefit of the people. To me it seems strange that the government who are in power at the present time, although this bill has been before this House for the twelfth time, have had practically nothing to say on such an important issue.

I want to refer very briefly to the remarks of the hon. member for Ottawa (Mr. Chevrier) who introduced this bill. I have been wondering whether the promoters have been quite frank with parliament in regard to this project or whether their contempt for the intelligence of parliament is so great they thought they could, in the vernacular of the street, "put one over" the members of the House of Commons. This is what the hon. member for Ottawa said, as reported on page 1387 of Hansard:

> I come now to the question asked me a moment ago: Is this a canal charter or is its object the development of power? Well, no matter how the question may be argued; no matter what is said, I affirm that under the terms of the charter which the promoters of this bill are endeavouring to have renewed, nothing is contemplated but the construction of the canal.

Was the hon. member for Ottawa frank with this House or was he not? If he was frank

with this House, was he frank with the company which he is supposed to represent in this House, because looking at the last paragraph of the bill I find that the promoters are asking for a renewal not only of their charter for the construction of a canal, but of the power rights which were slipped into this charter many years after it was originally granted? If they are asking only for the right to construct a canal, why is he asking to have confirmed in the present bill the power rights which were slipped in there in 1912? If they are asking for the power rights, why does he stand before parliament and solemnly declare that all the company wants is the privilege of constructing a canal? Furthermore, in the last clause it is provided that if certain conditions are not fulfilled the canal rights lapse, but there is not a similar provision in regard to the power rights. Therefore I say again to the hon. member for Ottawa that it appears to me that he has not been quite frank either with the House or with the company.

Let us look at his proposition as a canal scheme. The hon. member for Bow River (Mr. Garland) was good enough to allow me to read the brief which was placed in his hands by the hon. member for Ottawa. In that brief I find that the estimated cost of this canal was $282,000,000. If we take it for granted that money is worth 5 per cent, the interest on that amount would be something over $14,100,000 per annum. Does he think any canal that had to pay yearly such a vast sum as $14,100,000 interest on the investment, could be made to pay as a canal project? I am quite positive there is not in the world a financial firm that would finance this project simply as a canal. What does that mean? It means that if we assume there would be a saving of three cents a bushel on wheat from the west, as is claimed, the freight rate would still be six cents a bushel, and that would involve, in order to pay the interest on the investment, bringing over this canal something like 235,000,000 bushels a year. Was ever a more absurd proposition put before a body of intelligent people? In addition to this we must remember that this canal would have to do business in competition with the other free canals of the Dominion of Canada. Therefore, looked at from a business standpoint, the thing is absurd.

Further, I find from the brief which the hon. member for Bow River kindly placed in my hands, that the company have no intention simply of building a canal system. They grant, as has been granted by everybody, that the navigable waters are under the control of the Dominion, but they make the express declaration that there are no surplus waters on the Ottawa river and that all those waters will be under their control as they will own the dams, control the sluiceways, and thus control the time and place at which the water is let out. Consequently they will be absolutely in control of the water-powers on the Ottawa river.

That brings us right up against the great proposition of provincial rights which has been fought out in the past in this country. I am surprised, when I look across this chamber, to see a government sitting here, called a Liberal government, when from the beginning of this debate to the present time, not a single member has risen in his place to defend the principle of provincial rights. My mind goes back in history to the days of Sir Oliver Mowat, the Hon. Edward Blake, and the great battles that were fought in those days by the Liberal party for provincial rights in this country. I say to myself: How are the mighty fallen! To-day there is not on the Liberal side a voice that can be raised on behalf of the provincial rights of this country. They sit there wedded to the big interests of Canada, helpless, and they have nothing to say on behalf of that policy which was one of the big factors in creating the great Liberal party of the past.

I would like, for example, to ask the Minister of Agriculture (Mr. Motherwell) if he remembers the chorus of the Liberal campaign song of some thirty or forty years ago, a song written by the wife of a cabinet minister, the Hon. J. D. Edgar. whose painting we see out in the hall. It went something like this:

> The traitor's hand is on thy throat, Ontario, Ontario,
> Suppress the traitor with thy vote, Ontario, Ontario.

That was the campaign song of the Liberal party thirty or forty years ago. Where does that party stand to-day? Where are these great upholders of provincial rights in this country? I would like to ask the hon. member for Brandon (Mr. Forke) where he stands on this question. Is he standing up for the knight that formerly represented his constituency, or is he standing for the interests of the common people that he and his party love so well to talk about? Might I remind him in passing that the Conservative party of the province of Ontario, provincially speaking, is to-day endeavouring to carry hydro-electric energy to every farm in this country? They have spent millions already. They have built something like 1,800 miles of primary and secondary power lines, to carry that power to the farmers of this country. Is he going

to stand up for the farmer who will have the power on his farm to grind his corn, to saw his wood, to light his barn, or for the housewife to churn her butter? Or is he going to stand up for the plutocrat and the big interests which are seeking to grab a million or a million and a quarter horse-power on the Ottawa river? When the farmers of this country and all the industrial interests of eastern Ontario needed that power so badly the Ontario Hydro Electric Power Commission had to go over into the province of Quebec to buy some 266,000 horse-power from the Gatineau in order to supply the wants of eastern Ontario. They have been blocked for years in their efforts to extend the great hydro of western Ontario in the east because of these big interests that were attempting to control the franchise on the Ottawa. Is he going to pass by the poor farmer and the workingman, and take his seat beside Dives at the rich man's table?

Where is the hon. member for Lisgar (Mr. Brown)? He gave us an interesting discourse a while ago. He said: "I do not believe anybody can frame an amendment that will make the bill suitable, but I am willing to pass it on to committee in the hope I suppose that the promoters or somebody behind them may supply the brains to do it." Might I remind the House, Mr. Speaker, that a few months ago Mr. Harry Sifton gave an interview in Toronto. In that interview he told the press that the Liberal party had the halters on nearly all the Progressives of this country. As I look across the House and see Liberals to the front of them, Liberals behind them, Liberals to the left of them and Liberals to the right of them, I wonder if he was not speaking the truth. When I see men like the hon. member for Lisgar get up, because Harry Sifton cracks the whip, as he has done over the present parliament, when I see him using all the force he can to pull a $100,000,000 contract from the people of this country safely within the grasp of the big interests of Canada, I wonder what we are coming to in this country. Where is the great Progressive party that a few years ago shouted to the heavens for the interests of the common people? Have they departed or have they not? Well, we will soon know. When this vote takes place we will know whether Mr. Sifton has the halter upon these people or whether he has not. The people of Canada to-day are looking to this House, and they will look at the vote that is to be taken to-night, and to-morrow they will size up the situation and will know whether Mr. Sifton was right or whether he was wrong.

For a moment, let me visualize this graft, if I may. Let me bring before this House and the country the magnitude of it, in order that they may better know what they are voting on to-night. It just so happens, Sir, that I can very easily do this, because in the province of Ontario we have the Hydro Electric Power Commission which has developed electrical energy to the extent of something over 960,000 horse-power, not as great as this development will be, but something in the neighbourhood of three-quarters of it, and when I tell hon. members what that commission has done they will see the possibilities that lie before the people who obtain the franchise or the power rights on the Ottawa river, if they do obtain them. We have in the province of Ontario to-day, 410 municipalities using electrical power that was developed by the Hydro Electric Power Commission of Ontario. There are 402,000 consumers. We have over 5,000 miles of transmission line with a generating capacity of 961,000 horse-power, and they have invested $276,000,000 in capital. They would have done more, Sir, had they not been retarded in the eastern end of the province and had not the whole provincial development been held up by such companies as are seeking today to renew this franchise. What has that meant to the people of Ontario? The cost of the power delivered to the doors of the people to-day is less than one-quarter of what it was before the hydro-electric came into existence. Let us visualize that and put it into dollars and cents, and we find that the saving to the people of the province of Ontario in 1925 was something over $36,000,000, comparing hydro with pre-hydro rates. Does that mean anything to the people of this country, or does it not? Does that tell the House and the country the possibilities that lie behind the franchise for the power on the Ottawa river—$36,000,000 saved to the people of Ontario in one year? They pay that much less than they would have had to pay under pre-hydro rates.

Let me give another comparison. It was stated in this House the other day that the rates under private ownership were lower than the rates under public ownership, as exemplied in the Hydro Electric Power Commission. I have in my hand a comparison which deals first with domestic lighting and heating. I will take the cities of Toronto, Hamilton, London and Montreal, three of them under hydro, and one under private ownership, and then I will go to the United States and take Buffalo and Detroit. I find

that for domestic lighting and cooking for the same quantity in each case, Toronto is paying $45.97, Hamilton and London the same, Montreal $76.87, Buffalo $174.20 and Detroit $124.38. Then for commercial lighting, which is a little bit different, Toronto is paying $357.60, Hamilton $140.48, London $228.50, Montreal $1,147.70, Buffalo $811.70 and Detroit $936.17.

I will not bother the House with the figures for power, because it is hardly germane to this matter, but the proportion is pretty much the same, showing that the preservation of this power for the use of the people is one of the great functions of parliament to-day.

Now, Mr. Speaker, I was a little confused at the start about the mystery surrounding this subject. We were told during the course of the debate that behind the bill was a mystery company. Some said it was Sir Clifford Sifton and his confreres, while others declared he had nothing to do with it. I do not know who is behind the bill, and I cannot say that I care. But I go back to some years ago when, I remember, the papers reported a similar mystery that surrounded the government of that day, of which the same man was Minister of the Interior. During the past week I have devoted considerable time to reading musty volumes of Hansard containing the debates between 1900 and 1907, and I was startled at the great mystery which surrounded the doings of the government at that time just as we see a similar mystery surrounding the present government. I found, for example, that there was then in existence a mystery company called the North Atlantic Trading Company. It seemed like the world at its creation—it was without form and void. But it had one distinguishing characteristic, an insatiable capacity for swallowing money. It was supposed to have its headquarters at Amsterdam, but no one there knew anything about it, for it apparently was not a corporate entity. With this mystery company the government of the day entered into an agreement under which the company were to get five dollars, or one pound sterling, for every man, woman and child that it brought into Canada. Where the immigrants came from did not matter; with the exception of the citizens of a few countries, everyone was welcome. And it did not matter whether they stayed here or not, once they were brought to this country the company was entitled to payment. Then I consulted the reports of the Auditor General and I found that the following amounts had been paid out to the company:

Period	Amount	Auditor General's Report: Date	Page
1899-1900	$ 5,353 33	1900	L18
1900-1901	23,817 60	1901	L18
1901-1902	35,916 00	1902	L19
1902-1903	34,553 33	1903	L23
*1903-1904	38,966 66	1904	L26
*1903-1904	111,330 99	1905	L26
1904-1905	55,396 25	1906	L25
1905-1906	24,333 33	1907	L25
1906-1907	36,901 50	1908	K33
	$366,568 99		

*Total for 1903-04: $150,297.65.

It will be observed that a total of $366,000 odd was paid to that mystery company which though apparently without any corporate existence was very skilful in drawing money from the Canadian treasury.

I continued my research and I found that something mysterious happened in connection with half-breed scrip. An order in council was passed making it lawful to purchase this scrip from holders outside the Dominion, and in some mysterious way that order in council was suppressed for three months. During that period agents from Winnipeg used their time to good purpose and bought up some 30,000 to 35,000 acres of land covered by this scrip, for which they paid at the rate of from one to two hundred dollars for 240 acres of land. A mystery? Do hon. members see any similarity between the present mystery and the mysteries of those days?

I pursued my investigations a little further and found a mystery connected with Saskatchewan, called the Saskatchewan Land Company, to which 250,000 acres of land in that province, supposed to be desert, was sold for a dollar an acre. But strange to say, within two years afterwards it proved to be a very fertile rose garden. Another mystery? Why, of course, whoever heard of cold-blooded business men buying up 250,000 acres of desert land? I found also another company, this time in the Peace river territory, called the Peace River Colonization Company, to which was transferred 336,000 acres of land for a dollar an acre—twenty-five cents down, twenty-five cents in five years, and the balance in ten. I found further that extensive lands had been leased out there, and that nine of the leases were so drawn that they could not be revoked I have the names and the figures here, but I will not weary the House with them. Suffice to say that the leases covered 41,000, 60,000, 30,000, 47,000, 55,000, 48,000, 60,000 acres odd, and so on. Then something mysterious happened. People were allowed to buy ten per cent of this grazing land at a dollar an acre. Pursuing my investigation still further, I

found another mystery. While the law permitted a man to buy only 320 acres of coal lands I found there had been alienated as much as 2,000, 4,000, 6,000, 8,000 and 10,000 acres to individuals and that in this way something over 72,000 acres of coal lands were sold at from seven dollars to ten dollars an acre that afterwards were resold at fifty dollars an acre. I will not weary the House with a recital of the other mysteries that I unearthed, such as the timber limits, Yukon liquor permits, et cetera. My only reason for bringing these mysteries of the past to the attention of hon. members is that we have to-day a mystery company behind which are certain mysterious individuals whom nobody seems to know. And those individuals have added to the mystery by telling us that they are prepared to build canals for the use of this country for nothing. I ask the Minister of Agriculture (Mr. Motherwell) if he is credulous enough to believe that.

Mr. MOTHERWELL: What is the question?

Mr. McGIBBON: Mr. Speaker, I ask the Minister of Agriculture if he is so credulous as to believe that this company, as they boast in their brief, would give Canada a canal system from Georgian bay down to the Ottawa river free of cost.

Mr. MOTHERWELL: If we can get a canal for nothing, why shouldn't we take it? We don't often get an opportunity of that kind.

Mr. McGIBBON: The minister, with his usual shrewdness, has answered a question that I did not ask him. I asked if he thought this company would be as good as their word and build us a canal for nothing. Does anybody believe it? And when I observe that apparently the same people are behind this company as were administering the natural resources of Canada in the past in the manner that my researches have indicated, I ask this House, I ask the country: Do you think we can be beguiled into betraying the people of the provinces of Ontario and Quebec in taking from them a potential development of a million or a million and a quarter electric energy, and hand it over to a company simply because its promoters tell us that they are willing to build the canal for nothing?

Now, Mr. Speaker, my stand on this question is very simple. As I said before, if I could I would wipe every power company off the Ottawa river. I condemn every government that has renewed the franchise of this company since the value of these water-powers was known. I say to the House and to the country that it is the duty of the Conservative party, if no other party will do so, to stay here and fight this question from day to day, from week to week, and from month to month, if necessary, until this franchise expires, if the House does not vote it down.

Mr. E. J. YOUNG (Weyburn): I have listened these many weeks with more or less patience, or impatience, to the arguments advanced on both sides of this controversy and I have tried to separate the wheat from the chaff, the relevant from the irrelevant, to discover what the real issue is. What is the question that is before the House to-day? What is the question we shall decide by our votes if we vote to-day? The question is not, shall we or shall we not have the Georgian bay canal? It is not, shall we or shall we not develop water-powers on the Ottawa river? It is not, shall we or shall we not have public ownership in this country? The immediate question which we shall decide by our votes is, shall we or shall we not send this bill to the committee to be investigated? That is the issue in the impending vote.

Much has been said during this debate about the principle involved. I ask, what is the principle involved? It is not the great principle of public ownership, neither is it the wicked principle of private enterprise. It is not the great principle of provincial rights, neither is it the principle of federal jurisdiction; for the question is, shall we refer this bill to the committee? Shall we investigate it and see what is in it? It is not even a question of the high and lofty principles of Sir Herbert Holt as opposed to the wicked principles of Sir Clifford Sifton; the question is, shall we investigate this bill and see what it proposes? The real principle which is at stake is this: shall this parliament maintain its ancient right to investigate, before its own committees, questions of great public importance? That is the issue in a nutshell. That is what we shall decide by our vote on this amendment.

Let me review for a moment the history of this project. The charter was issued for the canal away back in 1894. Those who secured the charter were to build the canal, and in exchange they were to have the water-powers. They could not secure the money to dig the canal. Why? Because the value of the water-powers, the revenue they hoped to get therefrom, did not in those days amount to very much. That charter expired and has been renewed from time to time, and now a new man has got hold of it. Power to-day is worth money, and he be-

lieves or he claims to believe that if we let him retain the charter he will be able to get sufficient revenue from the sale of power to warrant him in building the canal. Former holders of the charter used to come to the government of the country and ask for guarantees of their bonds; they would ask the government to go security for them so that they might raise the money to construct the canal. This man is not asking for any guarantee; he will build the canal with his own money if we give him the water-powers.

Considerable opposition has developed to the renewing of the charter. Let me go over some of the arguments that have been advanced as to why the charter should not be renewed. Some have argued that the project is not feasible and that the canal cannot be built; that is to say, that no Georgian bay canal that can be built could ever be made a practical grain route from the west. Others argue that the canal can be built and that it can be made a practical grain route. And the peculiar thing is that those who argue that the project is feasible, those who say that the route would be a practical outlet for western grain and would constitute an all-Canadian waterway, ask that the bill be sent to the committee where the engineers and others connected with the company could be summoned and where the whole matter could be investigated with a view to ascertaining whether it was feasible or not; while those who oppose the granting of the charter, and who hold that it is not feasible, are opposed to any investigation. Are they afraid the committee might find against them? As a rule, when a man has a just cause he welcomes an investigation. Why do these men oppose that investigation? Another argument we have heard repeatedly in this House against a renewal of this charter is that the Siftons never intend to build the canal. It is said that the bill as it stands has a loophole and that, if we pass it, Mr. Sifton and his associates will crawl through that loophole and take the water-powers with them, leaving the government holding the bag, so to speak. Those who make that assertion are not willing to have the bill go to the committee, while those who believe the undertaking to be feasible ask that it be submitted to the committee. They say, "Let it be investigated; let us look into the bill, and if there is a loophole we will close it up. We can bring Mr. Sifton and his associates and find out what their intentions are and whether or not they can raise money to build the canal. We can make a contract that will be watertight, in which there will be no loophole, and if they do not sign the contract we will not give the charter." What are those afraid of who refuse an investigation? If their cause is just they have nothing to fear from one, for I am sure they would be as ably represented in the committee as they are in this House.

I ask this question: If Sir Clifford Sifton and his associates, after they get hold of the charter, will not build the canal, is there any possibility that Sir Herbert Holt and his associates will build it? Sir Clifford Sifton has given or has offered to give a promise that he will build the canal, but my hon. friends say that he will not keep his promise. Do Sir Herbert Holt and his associates promise to build the canal? They promise nothing. We might as well acknowledge the fact that this is a fight between two interests, both seeking to control the water-powers.

Sir GEORGE PERLEY: I am sure the hon. gentleman does not want to misstate the facts. There are two interests in the Carillon power. I regret to say that many speakers refer to this as the only matter of contention in this bill, but I would remind my hon. friend that Carillon is only one of the many powers on the Ottawa river, and it is the only power on the Ottawa river in which there are these two interests. The Hydro Electric, with which Sir Herbert Holt is associated—I do not know whether he controls it or not—has no interest in any power other than the Carillon, which, as I say, is only one of a dozen on the Ottawa river.

Mr. YOUNG (Weyburn): I understand my hon. friend's contention, but here is the point: the Carillon is one of the essential units of the Georgian bay canal, and if you alienate that power from the rest of the system the canal will never be built. And that is the trouble. It is the bone of contention at the present time, for it is the one power for which there is a market to-day. As time goes on, however, and as the country is settled, the demand for more power will extend to the other powers higher up the river, and the same question will present itself again.

A gentleman asked me the other day which of these two interests was likely to win in the struggle, and I told him I did not know, but that so far as I could see the Holt interests had had the better of it so far. I say that because they have succeeded in getting on their side all the advocates of public ownership. It is a peculiar situation to find the advocates of public ownership, the bitterest opponents of private enterprise in

power as in other things, lining up on the side of a ccmpany whose aim is to secure a monopoly of power in Canada.

Mr. CAMPBELL: Does the hon. member imply that the group in this section of the House who have taken a firm stand on this question are backing the Holt interests or will do so under any consideration?

Mr. YOUNG (Weyburn): No, I do not imply that, but I do imply that the Holt interests have been wily enough to persuade these gentlemen to help them pull the chestnuts out of the fire. That is the point.

Mr. CAMPBELL: Let me assure the hon. member that the group in this section of the House will oppose the alienation of these rights in any part of the system.

Mr. YOUNG (Weyburn): I have no doubt my hon. friend is sincere when he says that after they have eliminated the Sifton interests and have pulled these chestnuts out of the fire for the Holt interests, when the Holt interests want this power they also will be eliminated.

Mr. CAMPBELL: We certainly so intend, and I hope my hon. friends will assist us.

Sir EUGENE FISET: Does my hon. friend speak only for himself or for his group?

Mr. CAMPBELL: I think I am speaking for every member in this section of the House.

Mr. YOUNG (Weyburn): There was once a young man who said in his heart, "I will serve the devil to-day because it suits my purpose, but to-morrow when he wants me to serve him I will refuse."

An hon. MEMBER: Was he from Weyburn?

Mr. YOUNG (Weyburn). When the morrow came he found that once having enlisted in the service of the devil he could not get his discharge.

Mr. CAMPBELL: I hope my hon. friend will take the lesson to heart.

Mr. YOUNG (Weyburn): The group who were wily enough to secure the coöperation of hon. members in that corner to serve their purpose in this case will be equally cunning in securing their coöperation and assistance in another case.

Mr. HEAPS: I object to the use of such language in this House. I think it most unfair and the hon. member should withdraw those remarks. So far as I am concerned no one ever saw me in connection with this matter and I have not been influenced by any member of this House or anyone outside the House. I do not think aspersions of that kind should be cast on any hon. members of this House, and I think the remark should be withdrawn.

Mr. YOUNG (Weyburn): I am not casting any aspersions on the character or integrity of any hon. member in that corner of the House. I simply say that in taking the stand they have taken they are doing the very thing the Holt interests desire; hon. members are pulling the chestnuts out of the fire for those interests. I do not doubt that my friends are as honourable as men can be, but those are the facts. Will any man say that their conduct in this matter is not acceptable to the Holt interests?

Mr. HEAPS: In answer to that question I can say that so far as the Holt interests are concerned, they will get just as much consideration from me as the Sifton interests, and I hope my hon. friend will follow our example and let us know where he stands.

Mr. YOUNG (Weyburn): That is what I intend to do. It seems to me that in some quarters far too much stress is laid on public ownership; there is a disposition in some quarters to think that water-powers, canals, railways and public utilities generally exist for the purpose of being owned, and that the essential thing is who owns them, and where the title deed rests. To me that is of secondary importance; the essential consideration to my mind is not whether the title deeds to these utilities rest in the public treasury or in the strong boxes of private individuals, but what kind of service they give and what it costs.

Mr. CAMPBELL: I might ask my hon. friend if the one is not entirely dependent upon the other?

Mr. YOUNG (Weyburn): Not necessarily. We have had cases where private ownership has been very much abused, and the same thing has happened under public ownership. I think everyone will admit that the Ontario Hydro Electric Commission has been signally successful, but I sometimes wonder whether its success is not due almost entirely to Sir Adam Beck and his associates, and I wonder if Sir Adam Beck had been a believer in private ownership the Ontario Hydro Electric Commission would have achieved less success. That is a question worth considering.

Mr. HEAPS: Can the hon. member mention any electrical utility which is publicly owned and which has not been a success?

Mr. YOUNG (Weyburn): I do not know that I can, off hand. Figures have been quoted in this debate to show that power in Ontario is sold at less than it costs just over the line in the United States, where I believe power is developed under private ownership. Is that difference due to the question of ownership? Let us suppose the power developed at Niagara and sold in the United States was developed under public ownership and sold at cost; what would be the situation? Over there a market exists for ten or twenty times the amount of power available; the state hydro-electric commission, if such existed, would be selling power to a portion of the community at a very low cost while other members of the same community would have to get power from other sources at a higher cost, and this situation would exist. The state government would be selling power to one man at a lower cost than that man's competitor paid for power, in the same neighbourhood.

Mr. CAMPBELL: Would the public suffer from a condition of that kind?

Mr. YOUNG (Weyburn): Some industries would be discriminated against.

Mr. CAMPBELL: Some people would receive an advantage.

Mr. YOUNG (Weyburn): Yes, some people would get cheaper power. All the people would build a system to give cheap power to some of the people while the remainder would have to get power at a higher cost. That situation does not exist in Canada, and is not likely to exist here for many years yet.

Mr. CAMPBELL: Not so long as we maintain the principle of public ownership.

Mr. YOUNG (Weyburn): If the public took control of all the water-power in this country and if our population should increase to such an extent that there was not sufficient power for everyone, some people would have to go without, and those who could not get cheap power would have to obtain their power from coal or some other source at a higher cost.

Mr. HEAPS: On the same basis, would the hon. member claim that the Ontario Hydro Electric Commission should increase their rates to the level of the rates prevailing in the province of Quebec?

Mr. YOUNG (Weyburn): I do not say that.

Mr. HEAPS: At present Ontario manufacturers have an advantage over those of Quebec on account of the difference in the rate.

[Mr. Heaps.]

Mr. YOUNG (Weyburn): I think my hon. friend has missed my point. I do not mean to say that Ontario should have the same rates as Quebec, but I do say that if Ontario had a market for more power than could be provided, those who were getting cheap power would be getting it in part at the expense of those who had to get power from other sources.

Mr. HEAPS: Does the hon. gentleman say that in the United States, where there are two rates prevailing, in consequence of that fact the lower rate should be raised until there was equality? Consequently would not the same argument apply in the province of Ontario, as compared with the province of Quebec? Would the hon. member raise the price in Ontario to meet the price in Quebec?

Mr. YOUNG (Weyburn): Ontario and Quebec are two provinces under two different governments; I am speaking of what would happen in one province or one state under one government. If the supply of power were far short of the demand, is it fair to all the people to ask them to furnish power to a portion of the people at less than the remainder can obtain their power for? To my mind the proper thing would be to sell the power for what it would bring in the market, and use the surplus revenue to reduce taxation. I think that would be quite in keeping with the stand of my hon. friends in the matter of the single tax. Public ownership in that case, where a portion of the people get their power at cost while the remainder of the people are deprived of power, is not quite in keeping with the position my hon. friends take in the matter of the single tax.

A very interesting question was raised by the hon. member for Bow River (Mr. Garland) in regard to the right of this country to have that canal built at the expense of the people living along its banks. He argued that if you make the power pay for the building of the canal you make the people who live near the canal pay for their power, while the surplus would be used to build a canal for the benefit of people in a remote part of the Dominion, or for the Dominion as a whole. That is a very interesting question, and there is something in the hon. gentleman's argument. Who should be entitled to the power developed from a waterfall? Should its use be limited to the people living in the immediate vicinity of the development, or should those living perhaps two hundred miles away be permitted to participate also in the benefit? That question has not been settled, and it is one which might well be profitably

discussed by the committee to whom it is proposed to refer this bill. Apparently those hon. members opposed to the bill do not want this question, and kindred issues, to be investigated. The Minister of Railways pointed out that there had been certain happenings in connection with the question of the lease of power which ought to be investigated. I am sure my hon. friends in the corner yonder do not want that investigation suppressed. They must be willing that all these matters should be looked into and I am quite sure that all hon. members on this side are willing also. I say to hon. gentlemen, therefore: Let the bill go to the committee so that anything which needs investigation can be inquired into.

I think the most ingenious argument in opposition to the bill came from the hon. member for West Calgary (Mr. Bennett). The hon. gentleman said: We cannot pass this bill, we cannot renew the charter to these people, because the water of the Ottawa river belongs to the federal government and the pebbles over which it flows are the property of the provincial government. He argued that the federal government could not build dams because they would have to be erected on property belonging to the provinces. Similarly we might argue that the provinces cannot build those dams because they would hold back water which belongs to the federal authorities.

Mr. CAMPBELL: Is not that precisely the principle which Premier Taschereau stated only a few days ago?

Mr. YOUNG (Weyburn): Perhaps it is, but it serves to illustrate the problem involved which needs solution. There is a problem here which should be discussed and considered very carefully. But we cannot carry on the necessary inquiry in the House itself. We cannot bring experts here and ask them questions. We cannot put men on oath and examine them carefully. If the bill is sent to committee, however, we can carry out such measures, and there will be some hope of arriving at a proper solution.

Mr. HEAPS: All the questions to which my hon. friend has referred could be taken up even if the bill is killed.

Mr. YOUNG (Weyburn): No, they could not. If we kill this bill we ruin forever the prospect of building the Georgian bay canal.

Mr. CAMPBELL: The interests behind this bill have no intention of building the canal.

Mr. YOUNG (Weyburn): Surely my hon. friend does not say that the canal should never be built when the bill dealing with it has not even been sent to a committee for investigation.

Mr. CAMPBELL: I do not say it should never be built. What I do say is that the interests behind this bill have no intention of building the canal.

Mr. YOUNG (Weyburn): If that be true let us bring those people before the committee. Let us put them on the stand and examine them as to their intention. Let us examine them to see whether they are in a position to build a canal, if they can raise the money to go on with the project, or what they are going to do. All we ask for is an investigation. Voting to send this bill to a committee does not commit us to the principle of private ownership or of public ownership; all it means is that an opportunity is afforded to have a thorough investigation.

There is one thing which we all know and which the country should know also—that the tactics adopted by hon. gentlemen opposite during the last six weeks in blocking this bill had the result of depriving every member of his right to introduce legislation this session. There are on the order paper no less than forty-three resolutions, many of which stand in the names of hon. gentlemen in the corner diagonally opposite from where I am sitting. Not one of those resolutions will come up this session. Why? Because the tactics adopted by these same gentlemen have rendered that impossible. They have dammed back the proposed legislation just as effectively as the construction of dams on the Ottawa would dam back the waters of that river.

Mr. HEAPS: Was not the hon. gentleman himself guilty of similar tactics?

Mr. YOUNG (Weyburn): What tactics?

Mr. HEAPS: Talking against time. My hon. friend talked against a certain resolution last week to prevent it from going to committee.

Mr. YOUNG (Weyburn): We on this side did not block legislation for six weeks. In the case referred to I do not think I talked at as great length as my hon. friend did.

Mr. HEAPS: You were opposed to the principle of the resolution.

Mr. YOUNG (Weyburn): I do not like to make the suggestion because it is uncharitable, but is it possible that these hon. gentlemen have resolutions on the order paper which they do not want discussed, and are deliberately holding up this bill in order to dam back the proposed legislation?

Mr. EVANS: I should like to say that there are gentlemen in this part of the chamber who stood for public ownership of public utilities long before the movement was introduced into politics. Does not the hon. gentleman admit the principle of the bill when he argues that it should go before a committee, and will he state whether he believes in public or private ownership of public utilities?

Mr. YOUNG (Weyburn): I have spent considerable time trying to explain where I stood on the matter of private ownership. I think I told the House I did not attach very much importance to the question of ownership, but that what was important was the character of the service and what it would cost.

I have spoken longer than I intended, but perhaps it was not altogether my fault. Let me conclude by saying that the question before the House is whether we shall or shall not insist on our undoubted right to investigate these matters before a committee.

Mr. STEVENS: That is not the question before the House. I ask the Speaker if he will be good enough to read the question. When the question is read hon. members will know exactly what it is. What my hon. friend has stated is not the question before the House although he has frequently said that it is.

Mr. YOUNG (Weyburn): That will be the result of the vote.

Mr. STEVENS: That is not the question before the House.

Mr. YOUNG (Weyburn): That will be the result of the vote.

Mr. STEVENS: It will not be the result of the vote either.

Mr. YOUNG (Weyburn): If the motion rarries this bill will go to committee where it can be examined and dissected, and then killed or reported as the committee sees fit. When we send the bill to committee we do not bind ourselves to pass it.

Mr. STEVENS: I should like to have the question before the House read. It is my privilege to have that done.

Mr. DEPUTY SPEAKER: The amendment moved by Mr. Guthrie reads—

Mr. STEVENS: I should like to have the question before the House read, and the amendment also.

Mr. DEPUTY SPEAKER: The bill before the House is the bill standing in the name of the hon. member for Ottawa (Mr. Chevrier). The hon. gentleman has moved that Bill No. 78, respecting the Montreal, Ottawa and Georgian Bay Canal Company—

Mr. STEVENS: Pardon me, is this not the question? That the bill be now read a second time? That is what we want to get. My hon. friend says it is not. I say that it is, and I should like to be corrected if I am wrong.

Mr. DEPUTY SPEAKER: That is the question.

Mr. STEVENS: Certainly.

Mr. DEPUTY SPEAKER: The question is

That Bill No. 78 be read a second time, to which Mr. Guthrie moved in amendment, seconded by Sir George Perley:

That all the words after the word "that" in the said motion be struck out and the following substituted therefor:

The character and object of this bill involve matters of grave national and provincial importance, and are such as to constitute it a measure of public policy which ought not to be dealt with by any private bill.

Mr. STEVENS: Now my hon. friend knows what the question is.

Mr. YOUNG (Weyburn): What will be the result of the vote?

Mr. STEVENS: That is the question to debate, which the hon. member has not debated in any part of his speech.

Mr. YOUNG (Weyburn): What will be the result of the vote? If the motion carries the bill goes to committee.

Mr. R. S. WHITE (Mount Royal): Mr Speaker, I do not intend to depart from my customary practice of seldom and then only briefly addressing this House, but I cannot record my vote upon the question now before the House without giving some of the reasons why I intend to support the amendment. The subject has been exhaustively discussed. The logical and forceful speech of the hon. member for Bow River (Mr. Garland) and the convincing eloquence and close scrutiny of the hon. member for West Calgary (Mr. Bennett) leave practically nothing to be said. I must confess that I was astonished a moment ago at the statement made by the Minister of Agriculture (Mr. Motherwell), namely; "If we can get a canal for nothing, why should we not accept it?" He put that question as if he had considered that it terminated the whole discussion. I ask the Minister of Agriculture if in all this country there is a single canal, large or small, from the Newmarket canal in North York

to the Welland canal, that has been acquired for nothing. There is not one, nor will there ever be a canal built in Canada for nothing. The taxpayers pay for every canal that we have. Therefore I take it that the Minister of Agriculture, in his usual good-natured and facetious manner, did not mean his remark to be taken seriously.

The question resolves itself into two parts: the transportation or canal part and the water-power part. In respect of the canal I say with full assurance that there is not an hon. member sitting in this House, there is not a reading man in all Canada outside of an insane asylum, and I should not think there would be many within the walls of such an institution, who believe that the money to build this canal, considered solely as a transportation system, can be obtained in any financial centre in the world. I recall well some thirty-three years ago when the charter was originally granted, when estimates were made as to the cost of the undertaking, and at that time the cost was placed at approximately $100,000,000. If $100,000,000 were required thirty-three years ago to construct a twenty or twenty-two foot waterway from Georgian bay to Montreal, I submit to the knowledge and intelligence of members that it will require at least two and one-half times that amount to do the same work to-day. That is not an exaggerated estimate, and so we arrive, moderately, conservatively, at a sum of $250,000,000 as requisite to build a system of navigation known as the Georgian bay canal capable of passing vessels with a draft of twenty feet or as they are sometimes termed, 10,000 ton vessels, the largest that navigate lake Superior and the other upper lakes.

First of all, even though the bonds were backed by the Dominion of Canada that money would cost close upon 5 per cent. Over and above that you have the cost of operating and the cost of repairs and maintenance. Therefore, figure it out as you will, you cannot arrive at a lower sum than $15,000,000 a year in connection with this project. What sane financier, what sane person is going to put a dollar into an enterprise from which not one cent of revenue is to be derived? Let it be remembered that I am speaking of the transportation scheme and not at the moment of the water-power end of it.

The promoters of this bill profess that they will complete this waterway to a depth capable of floating vessels of 10,000 tons. Where in the name of common sense are they going to get the money? The thing upon its face is absurd; it is too nonsensical for any serious man to mention for a moment. It will take $15,000,000 a year to carry the cost of this canal if it is built as professed by the promoters of the bill. In a circular which has been addressed to every member of this House the statement is made that by this proposed waterway there will be a saving of three cents a bushel in the cost of freighting from Fort William to the port of Montreal. Upon the basis of the largest quantity of not simply wheat, but grain, namely 295,000,000 bushels, that has come out of lake Superior ports—and I hope in the future that figure will be greatly exceeded—this saving of three cents a bushel will represent a little less than $9,000,000. Why, it would pay the taxpayers of Canada well—it would be money in their pockets—if they gave a subsidy of three cents a bushel to the farmers of the northwest for every bushel of grain they exported in the big crop year of 1925-26, because instead of the taxpayers of this country paying $15,000,000 a year to maintain the waterway, including of course interest on the cost, they would have to pay only $9,000,000 on a basis of an economy of three cents a bushel.

This is a point which has always appealed to me in connection with this question. After due consideration many years ago the Dominion government and the parliament of Canada concluded that the best waterway from lake Superior, lake Huron and the other upper lakes to the sea was by the Welland canal to the St. Lawrence river, or what is popularly known as the St. Lawrence waterway. We have invested already upwards of $60,000,000, I think, in the Welland canal, and it is not at all unlikely that before the enlarged canal is completed the cost will run to $75,000,000. The proposal is to have the transhipping go through in smaller vessels which can pass through the St. Lawrence canal, but I would think that ultimately, as soon as the finances of the country permit, the sensible, businesslike project would be to enlarge the St. Lawrence, so as to permit the largest of the upper lake freighters to pass right down to the port of Montreal, or, if you like, the port of Quebec, where transhipment would take place. Are we to enter deliberately, with our eyes open, into competition, by means of this Georgian bay canal, with the St. Lawrence waterways, in which we have already invested a great many million dollars, and in which every day of the year we are burying more and more money? A few years ago, in a fit of frenzied finance, the government and the parliament of this country—and I am bound to say with the approval of the electors—built three transcontinental railways where two at most would

have sufficed. There is no one, I venture to say, who to-day does not regard that policy as a fatuous one, as an uneconomical one. We know that a good deal of the burden of taxation under which this country labours arises out of that extravagant railway policy of a few years ago, and yet hon. members stand up in this House and ask us to pursue the same fatuous policy in connection with water transportation and to build two canal systems where one is adequate.

Assuming, merely for the purpose of argument, that the Georgian bay canal project will be completed in the course of years, every bushel of grain that passes down it will be taken from the other waterway, the St. Lawrence, which we are completing at very great cost. The total revenue of all canals of Canada is less than $1,000,000, and of that $900,000 two-thirds are derived from elevating charges on the Welland canal and from some water leases on the Lachine canal. But I am glad to say that there is not one dollar of tolls upon our canals, and yet the promoters of this bill say to us that they will spend $250,000,000 upon the project without the imposition of one single dollar of tolls from which they can derive one penny of revenue. Sir, it seems to me that the project, as a canal, ought literally to be laughed out of the House.

Then we come to the other aspect, namely, the waterways. My attitude—I speak only for myself—in respect to water-power is that the matter should be left entirely to the provinces of Ontario and Quebec. My understanding is that under a not very remote judgment of the Privy Council it was decided that the riverbeds and the shores belonged to the province, and without a dissenting voice the legislature of Ontario, although overwhelmingly Conservative in its party complexion, and the legislature of Quebec, equally overwhelmingly Liberal in its complexion, unanimously passed resolutions condemning this bill and asking parliament to throw it out. Surely those resolutions ought to receive some consideration in this House. I recall well many years ago, and the hon. member for Muskoka (Mr. McGibbon) alluded to it in his address, when, misguidedly, a Conservative government, prompted by the request of one of their supporters, namely, the late Dalton McCarthy entered into a controversy with the province of Ontario over many serious questions such for instance as the Streams Bill, another relating to the licensing for the sale of intoxicating liquors, and other matters. In every instance the Dominion government was beaten. and the Conservative party lost caste in that province for many years because of its attitude towards the provincial government of Ontario. I warn the government, whether this bill goes to second reading or not, that if it cracks the party whip and induces members to vote on account of party allegiance for the second reading, it will be digging its own grave as sure as death and taxation.

There is another aspect of this question which in my judgment has not been adequately stressed, and it is the danger of getting into litigation over these waterways. At this moment the holders of the charter, popularly known as the Sifton interests, have not one single copper of vested rights. They acquired this charter, so the story runs, for speculative purposes and for none other. The charter expires on the 1st of May next, a matter of four weeks and a few days, and if the charter is allowed to expire the gentlemen who entered into this speculation will be out a few dollars. Dealing with the matter of vested rights, these people have had this charter for thirty-three years, and can any hon. member tell me where a single sod has been turned towards the construction of the work? The story goes—and I do not vouch for it, but I would not be surprised if there were some truth in it, knowing the moderation of the gentlemen who hold this charter—that they are willing to relinquish it for a recompense of $2,000,000. I admire their moderation! I wish I possessed even a modicum of it. But if we put this bill into committee, and if we report it back from committee—emasculated if you like, not even a skeleton, a bare shadow of the bill as it had been in the past—we will in a measure have confirmed certain rights to these interests. I am against such a course. Litigation will follow. No one knows it better than the hon. Minister of Justice (Mr. Lapointe). The provinces of Ontario and Quebec have already stated in the most unequivocal language that they will have recourse to the courts. If you give the promoters any kind of standing room, they will make it so difficult to move along the lines of the development of power that the whole project will be held up for an indefinite time.

Now, Mr. Speaker, the members of the government have expressed no opinion upon the merits or demerits of this bill. What may be in their minds I of course, not being a Stuart Cumberland, cannot tell; but if their intent be to so emasculate the measure in committee that it will become innocuous and absolutely harmless, it seems to me that it is upon the principle of the prevention of cruelty to animals—that in order to make the

operation less painful they should take an inch at a time off the dog's tail. As we all know, this is not an ordinary private bill. It would be better described as a public bill in the hands of a private member.

The hon. member for Weyburn (Mr. Young) told us this afternoon that he has had difficulty in making up his mind. He wants more information, he wants experts called and the matter gone into fully before the committee within—as we all hope—two weeks from prorogation. But if he has any doubt as to the meaning of the bill, I think he stands alone in this House and in the country, for its merits or demerits have been discussed on platforms and in the press ad nauseam, and there is no one so dull, no one so blind or stupid, as not to be aware that this is a fight by the promoters for power rights, and that it is not for one moment to be taken seriously as a transportation project.

Of course, we can all understand and sympathize sincerely with the position of the Prime Minister. There are such things, I suppose, as political debts. There is sometimes political work which must be paid for. I would not be surprised in the least if the desire of the first minister to send this bill to a committee is a payment on account, as it were, for services rendered by one of the promoters in an effort to avenge the defeat which in 1925 the Prime Minister sustained in North York. It is not my purpose, Mr. Speaker, to weary the House—

Some hon. MEMBERS: Go on.

Mr. WHITE (Mount Royal): No, I am going to close, I will not say with an appeal to the House, for I do not think there is an intelligent member sitting here who is not already fully conversant with the subject. There is nothing new to be said with respect to it. Ah! yes, there is another statement I should like to refer to. There has emanated from more than one member to your right, Sir, the statement that this is a fight between the Holt interests and the Sifton interests. I suppose as a Montrealer I might be suspected of lending my sympathy to the Holt interests but let me say that I give it to neither. So far as my voice would have anything to do with the result, I would wish that the provincial governments be permitted to settle this question. Let them be permitted to determine whether the Sifton interests or the Holt interests are to be paramount in this power development. As to myself, I care not a snap of the finger for the Holt interests any more than I care for the Sifton interests. I cannot believe that this House will—I was going to use the word stultify, but that may be too strong—I cannot believe that this House will make such an exhibition of imbecility—

Mr. LAPOINTE: That would be milder.

Mr. WHITE (Mount Royal): Very well, I will use it. I cannot believe that this House will make such an exhibition of imbecility as to give second reading to a measure which, if it ever emerges from the special committee, will have no other consequences than that of involving large and important interests in litigation to the prejudice of the people of Ontario and Quebec.

Mr. W. K. BALDWIN (Stanstead): Mr. Speaker, I had not any intention of speaking on this bill, but as I championed it in past sessions I deem it necessary to express my views on this occasion. I well remember making a speech favouring the Georgian bay canal, and the late lamented Emmanuel B. Devlin, the member for Wright, afterwards said in my hearing, although he did not know I was within range of his voice, "Baldwin has knocked the props from under my feet."

I speak in favour of the Georgian bay canal as I would of any other great waterway for the development of this country, for I believe this is the cheapest kind of transportation. A member on the other side of the House last week gave us an historical resume of canals back even before the birth of Christ and told us all about the waterways of China and thus down through history to comparatively modern times, showing that he had at least studied this method of transportation. To-day we find canals are not paying propositions. I notice quite recently that the Erie canal is not doing as much business as the old canal did. When I spoke of the Georgian bay canal project on former occasions there was not then any real appreciation of the wonderful assets we had in the hinterland of Quebec and Ontario. We had pretty much the same railway facilities then as we have to-day, but there was not the same necessity as now exists for the construction of a canal such as this. In the interior of Quebec and Ontario there is a wonderful mineral country and just now large sums are being spent in the production of gold, of which considerable quantities have already been found. It is intended to delve still deeper into the earth in search of this and other precious metals, and with iron ore, which the geologists believe to exist in that part of the country, together with copper, silver and other assets which undoubtedly are waiting tc be taken, there are great prospects ahead of these provinces. I do not think that the country there could be better or more cheaply served in the way of transportation than by

means of such a waterway as is proposed. Our mineral products in these sections of Quebec and Ontario, of which I am speaking, would afford enormous traffic even though so far only the fringe of that country has been touched.

This question involves a conflict between private and public ownership. In my opinion, which differs from the view advanced by my hon. friend from Mount Royal (Mr. White), if the hydro-electric possibilities are such as have been depicted, this great wealth should contribute to the cost of constructing the canal. I believe that it could be so arranged as to have the revenue from this hydro-electric development pay in time, if not immediately, for the Georgian bay canal. If it comes to a question of American versus Canadian interests I would not hesitate to favour the development of this power by our own people. Someone has said that this is a matter of Montreal or the Holt interests as against Toronto and the Sifton interests. However that may be, I would have no hesitation in any instance in advocating that Canadians be allowed to develop this power rather than hand it over to American interests who, I am sure, would have but one purpose in view, namely, the exportation of power to the United States, making us hewers of wood and drawers of water to their own advantage. That I would oppose on every occasion. If hydro-electric power is to be developed an enormous amount of labour and capital will be required. Let us keep these in Canada; let it never be said that transmission lines in connection with the development of power along this route were constructed by outsiders for the benefit of foreign labour. Let us see to it that our great heritage of white coal, of which we have more probably than exists in any other country, we have been able to take advantage of and to exploit ourselves.

We are prone to speak of the vastness of this country, but I think I am within the mark when I say there is a possibility of our developing 20,000,000 horse-power in this country. This is one of the most glorious visions before Canadians to-day. I firmly believe that if the Georgian bay canal is built now, or at any time in the future, it should be built with the great water-power possibilities in view. I do not urge any haste in such a stupendous undertaking as this. In my own private affairs I have never robbed the future for the sake of the present. I believe in conservation. I believe in conserving all our resources, whether they be timber, our fisheries or our minerals, and not in being greedy and thinking only of ourselves. Let us think of posterity.

[Mr. Baldwin.]

This question cannot be decided without the most careful consideration. There is a multitude of complex considerations that must be weighed: provincial and riparian rights, federal rights, and all the rest of it—matters which this parliament cannot deal with without a thorough investigation. I believe the people are intelligent enough not to do anything that will divide province against province or the provinces against the Dominion. Let us do nothing that will result in litigation. I have confidence enough in the good sense of our people to believe that nothing of this sort will happen. It seems to me that the best way in which this whole question can be handled is to have the bill referred to the committee where it could be fully discussed.

We have heard a good deal about this charter hanging fire for thirty-three years. What are the reasons why no progress has been made towards the construction of the canal? The great, appalling war came along, and are we not proud of Canada to-day to see that her finances are in such good condition after that great struggle? Not only did the war interfere but the construction of the Welland canal was undertaken, and those who have seen that canal will know that it is a most ponderous undertaking; in the course of that construction it has been found necessary to dig through great banks of clay which have no solid foundation, entailing an enormous amount of work. I say without hesitation that I believe the Georgian bay canal should have been built first, which would have promoted the development of the tremendous resources of those portions of Quebec and Ontario in that vicinity; I believe a greater benefit would have been obtained to this country if the Welland canal had been allowed to wait until the construction of the Georgian bay canal had been finished. Some hon. members representing constituencies bordering the great lakes may not agree with that, but I maintain that the Georgian bay canal would have been a greater asset to the trade and commerce of this country and would have hastened the development of our great natural resources.

I do not care to elaborate upon this matter, but I am emphatically in favour of this bill being sent to committee where those who are backing it may appear and make known their promises and pledges in this connection. I would not allow the great hydro-electric possibilities of this country to be destroyed without first making certain that this canal will be built. I am not enough of an engineer even to approximate the cost of this undertaking, but I believe this canal should be built piece by piece, beginning at the Ottawa end if you will and gradually extending it until

it is completed. Not one horse-power of hydro-electric energy should be sacrificed or given away to anyone, whether they be Canadian or foreign, until a binding agreement has been made between the province of Quebec, the province of Ontario and the federal government. These three governments should work in conjunction and in perfect unanimity, under an agreement which will be binding upon each for all time, in order that this may be a source of great national development and an undertaking of which all Canada may be proud.

Mr. R. E. RYERSON (Brantford City): Mr. Speaker, it is not my intention to take up more than a few moments of the time of the House on this question, but representing as I do an industrial centre which has enjoyed for many years the full benefits of the hydro-electric system of Ontario, I deem it my duty to protest against the granting of a renewal of this charter and against any measure which may appear to menace the future of this great public-owned enterprise.

For the purpose of a better understanding of the attitude of the people of Ontario, and particularly those served by hydro in their relation to this question, I would like to state a few facts pertaining to the early history and present status of this project. The Ontario Hydro Electric system did not originate with the Ontario government or with any one individual, as has been frequently stated on the floor of this House. The entire plan was carried out and now stands as a partnership affair between the government of Ontario and the municipalities served by the system, both as to construction and financial obligation. The government is responsible for the purchasing, development and transmission of electrical energy to the gates of the municipalities which, on their part, take care of the construction and maintenance of distribution plants and stepping-down stations. A small league of municipalities comprising the cities and towns of Toronto, London, Brantford, Guelph, Stratford, Woodstock and Ingersoll were the initial pioneers in advocating and planning this great development.

The early efforts of this league were directed towards the preservation, development and public ownership of the vast potential power at Niagara Falls, which was rapidly being sacrificed and given away to large private interests, greatly to the advantage of American industry and American citizens. This pioneer work, which included surveys, engineers' reports and a general campaign of publicity, was carried on for a number of years. In 1903, at the request of these municipalities, the Ontario government of that date passed an act authorizing the creation of the Ontario Power Commission, with power to investigate the feasibility of the development and transmission of Niagara power to points in central and southern Ontario, and to prepare plans for such a purpose. The personnel of the commission was named by the league of municipalities, and the entire cost was borne by that league. Those nominated to the commission were:

E. W. B. Snyder, St. Jacobs, president.
P. W. Ellis, Toronto.
W. F. Cockshutt, Brantford.
Adam Beck, London.
R. F. Fessenden, electrical engineer, Washington, D.C.

Before the final report of this commission was completed a number of other municipalities joined the league, including Hamilton, Dundas, Paris, St. Thomas, St. Marys, Mitchell, Kitchener, Waterloo, Hespeler, Preston and Galt. After the completion of this report and at the request of this now influential league of municipalities—and with the persuasive powers of Adam Beck—the then government under the leadership of Sir James Whitney adopted the plans and took over the project. The Ontario Hydro Electric Commission was created, under whose management and supervision the original plans were developed and extended into the present system, which has saved millions of dollars to the consumers of power in this province. The people of these municipalities have watched with a justifiable pride the wonderful success and growth of hydro, and naturally look with alarm and suspicion on any action by this parliament which would appear to interfere with or jeopardize the future success of this great public undertaking.

I not only voice my own disapproval of this bill, but desire as well to add the protest of the city of Brantford, which unanimously passed the following resolution:

That the council of the municipality of Brantford respectfully urges the parliament of Canada not to renew the charter of the Montreal, Ottawa and Georgian Bay Canal Company, known as Bill No. 78, as in our opinion this bill is not in the interest of the province of Ontario as it is an attempt to deprive the people of this province of their right to the powers to be developed from the waters of the Ottawa river, and further that this charter has been in existence for thirty-three years, and no actual construction has taken place, and we believe the renewal of this charter would be contrary and prejudicial to the public interest.

I also have a communication from the town council of the town of Paris, enclosing a similar resolution, which reads as follows:

That the council of the municipality of Paris, Ontario, respectfully urges the parliament of Canada not to renew the charter of the Montreal, Ottawa and Georgian Bay Canal Company, known as Bill No. 78, as in our opinion this bill is not in the interest of the province of Ontario as it is an attempt to deprive the people of this province of their right to the powers to be developed from the water of the Ottawa river, and further that this charter has been in existence for thirty-three years and no actual construction has taken place, and we believe the renewal would be contrary and prejudicial to the public interest.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. W. J. WARD (Dauphin): Mr. Speaker, I have been an interested spectator during this debate which has now lasted for some three weeks, and I have at times wondered why there is this wide divergence of views on the question which is now before the House. As I look across the way at the members representing the United Farmers of Alberta, also my good Labour members and other members on the other side who in the most trenchant language condemn those who would send this bill to committee, I think I can assure them—and I would preface my remarks by saying that honesty and sincerity is written all over their countenances—that with all their professions they are not more true nor more loyal to the principle of public ownership than are those who would treat this bill as all other similar bills are treated, namely, by sending it to committee. Oh, yes, but someone says, when we vote on the second reading, when we submit the measure to committee, we are committed to the principle of it. I am inclined to think that theory was rather badly shot in 1925 when the Petersen contract was before the House. We all recall very well that long drawn out debate, and members on the opposite side of the House who were opposing that measure going to committee declared that we were admitting the principle of subsidies to steamship companies or the principle of subsidies itself.

Mr. STEVENS: There was a marked distinction. That was a public government measure, not a regular private measure, and it went to a special committee for consideration.

Mr. WARD: That is a stronger reason why this, being a private bill, should go to committee.

[Mr. Ryerson.]

Mr. CAMPBELL: I would like to remind my hon. friend that on that particular memorable occasion to which he refers, the Prime Minister notified the House that, notwithstanding all that he said, a vote on that occasion would not be considered as a vote for the principle of the Petersen contract.

Mr. WARD: Quite so, and there and then we established the precedent. I think it was taken for granted upon that occasion that we were not committed in any way to the principle of the measure, and I am sure there are a large number of hon. members who may vote to send this bill to committee, who do not consider that they are thereby committing themselves on the question of public versus private ownership.

I was not surprised at the course which our Conservative friends followed. It was a very characteristic one; they took that same natural Conservative attitude, smug, self-righteous, that they are the only people who are defending the rights of the masses. I think I can assure them also that there are in this House others who are just as anxious, just as determined as are my good friends the Conservatives, to promote the interests of the great mass of the people. The Conservative party, at least up to the present, have never been conspicuous in respect to the rights of that great mass of the people known as the taxpayers of this country, and particularly in respect to public ownership.

We have, however, in this particular question one feature that is unique in the economic life of this Dominion, if not of the American continent, in that the river in question, the Ottawa, which has been recognized for at least a hundred years as a navigable waterway, forms an interprovincial boundary. I do not presume to be an authority on constitutional matters, but according to our constitution the water of this stream belongs to the people of Canada. The river bed, as the hon. member for West Calgary (Mr. Bennett) told us the other night, belongs to the provinces, and therefore he contended—and I think it was an ingenious argument—that this set up an unsurmountable problem. Let me tell him that there is no problem at all because, while it may be true that the river bed belongs to the provinces, the Dominion has the right of expropriation at any time and can expropriate for any purposes which it sees fit.

But this constitutes an added reason why this whole question should go before the committee. We have, as I have said, a stream of which the water belongs to the Dominion and the potential powers belong to the provinces.

On one side of the Ottawa river we have a province that is avowedly in favour of private ownership and on the other side a province professing public ownership. I wonder if our friends who are opposing this measure and who are declaring that this project should be developed as a national undertaking, as I quite agree it should be, will tell us just how under those circumstances they are going to develop the Ottawa river. We are up a blind alley. Is that not a fundamental reason why this whole measure should go to committee where we can get some light in order to pass an intelligent judgment upon it?

I would not have taken part in this debate had it not been that I believe the time has arrived—and I am very much surprised that up to date no one in this chamber has suggested it—for the appointment of a federal hydro-electric power commission. In Ontario of course we have the hydro power commission, and someone may say, "Well, why not let the provinces attend to such matters as the controlling of hydro power?" Very true, but it has to be remembered that the three prairie provinces do not own or control their resources, and I am told by competent engineers that there is known to them at the present time something in excess of ten million of potential hydro power in these three prairie provinces. I have been told that there is something in excess of seven million now known in the province of Manitoba alone. We now witness the struggle that is going on, as we are told by the Minister of Railways (Mr. Dunning) between two great financial rings to get control of the powers of what is just a stream; for the Ottawa river is only a little stream compared with the Nelson, the Churchill, the Mackenzie and the Yukon rivers. Someone has said that there is a million and a quarter horse-power involved. I have made some inquiries and I find that these same competent engineers tell us that they will never develop more than 750,000 horse-power on the Ottawa river. Now we have all this struggle, three weeks of the time of parliament, practically every hour which has been allotted to private members for the consideration of private bills and private measures has been given over to this one question, a matter involving 750,000 horse-power, while as I say there is known to the engineers at least ten million horse-power certain to be developed in the three prairie provinces. These natural resources are to-day controlled by the federal parliament, and the experience, Mr. Speaker, of this long range administration of the last two years has not been very satisfactory to western Canada in respect either to power development or to pulpwood and many other resources which I might mention. The time has arrived when it is essential that these powers should be developed in the best interests of the people of Canada; and if my Conservative friends are as desirous as they appear to be—and I think they are—they will support at once the suggestion of a federal hydro-power commission which will take charge of every power in Canada, whether it be on the Ottawa, the Nelson, or any other river. It may be of interest to this House to know that a certain group of financiers have already an option on the largest single power site on the Nelson river, known as the White Mud falls.

Mr. HEAPS: Will the hon. member give us a little information about that particular matter?

Mr. WARD: I am not desirous of going into the history of the matter, but a certain financial ring already has an option on this power site. I am given to understand that the International Paper Company is now endeavouring to get control of or to buy up the option. When the people of Manitoba are forced to stand by and see two foreign financial rings barter with their very birthright—that is the spectacle we have in Manitoba—with the five million of horse-power on the Nelson river, within about six hundred miles of the city of Winnipeg and about the same distance of some of our western cities, is it not patent to us that in the near future we must take drastic steps to control these powers for the people of western Canada, or of all of Canada if you like, rather than continue the policy which we have been following, of dealing them out in parcels to foreign interests, or to financial interests even though they are not foreign.

With the completion of the Hudson Bay railway; with the opening up of such great resources as are to be found on Belcher islands, where, I am given to understand the largest iron ore deposits on the American continent are to be found; with the vast pulpwood resources along the Nelson and Churchill rivers, we can readily see that by long range administration the best results cannot be obtained. I am making no reflection whatever upon our present Minister of the Interior (Mr. Stewart) who is now in charge of these resources, but he has a big job on his hands. His task is far too great to enable him to give proper consideration to the resources of any one province and have them developed as they should be.

Before concluding I desire again to urge upon the government and upon this House the absolute necessity in my judgment of

constituting in the very near future—as I think this would be an opportune time—a federal hydro power commission. I would not have risen at all were it not that I had hoped that during this debate some member on the front benches of the official opposition, or some member of the government, would have come forward with a suggestion that the time was ripe for the appointment of such a board. Without any doubt, by far the biggest question, economic or social, in the Dominion of Canada to-day is the matter of hydro development. There is no other single feature of our life that reaches into every avenue of our economic development as that of electricity, and as the years go by it will become increasingly important that the development of hydro must be preserved for the benefit of the people and not allowed to get into the hands of any great financial ring.

I am anxious—and I have no hesitation in saying so—to see this bill go to committee. I want to assure the House that I am not interested at all in the fortunes of either the Siftons or others.

Mr. McGIBBON: Help them along.

Mr. WARD: I have not been lobbied, I can assure the House, in any way by either the Siftons or the Holts. I want to say to the hon. member for Muskoka (Mr. McGibbon) that he need not fear. I want to be able to pass intelligent judgment on the matter. I do not think a solitary member of this House, including the hon. member for Muskoka, is in a position to render an intelligent decision upon this very important problem. I think it is absolutely essential that we send this bill to committee, if for no other reason than that out of that committee I hope will come a suggestion for the appointment of a federal hydro power commission.

Sir GEORGE PERLEY (Argenteuil): When I was speaking at the opening of this debate I referred to the fact that those interested in this bill, as well as the public generally and the newspapers, were very apt to refer to this matter only in connection with the Carillon canal and the Carillon power. I endeavoured to make it plain at the time that this is only part of the issue before us to-day. I explained that it was an erroneous view and that the bill deals with all the powers on the Ottawa river, of which the Carillon is only one. This afternoon the hon. member for Weyburn (Mr. Young) referred to the matter. I do not think I should have risen to say anything about it had not the Minister of Railways and Canals (Mr. Dunning)—the only member of the government who up to this time has spoken on the subject—made a special point of the Carillon power. His remarks made on March 14, will be found at page 1194 of Hansard. The following is a short extract:

> I deem it necessary to give to the House, if possible, some accurate information respecting the history of what I might call, "the bone of contention", because beyond any question that bone of contention is the Carillon power. There is not a member of the House who is not aware of that fact, nor is there a member who does not know also that the contention for the bone is, at the present time, not between any public ownership bodies, but between two great private interests.

I disagree entirely with the hon. minister's statement. He might characterize the Carillon as the knuckle, but it is by no means the whole bone. Carillon is in the county of Argenteuil, which I have the honour to represent in this House. One end of the dam to be built at Carillon would be on that side of the river. The people of Carillon are very anxious to see this power developed, and they have waited for its development for thirty years, patiently or impatiently, which ever way you like to put it. I see in his seat the hon. Minister of the Interior (Mr. Stewart) who by the courtesy of the electors represented Argenteuil during one parliament, from 1921 to 1925, but notwithstanding all the influence he then had he did nothing towards the development of this power. There are rumours abroad as to who controls the Georgian bay charter. There are also rumours current as to who controls the National Hydro-Electric Company, which has a lease of the Carillon falls from the Department of Railways and Canals. Personally I have no information as to who really controls, but I think I made it abundantly clear on the earlier occasion when I spoke on this bill that I am against the renewal of the Georgian bay charter. As for the lease of the water-power at Carillon, I may say again for the information of the House that in 1925 one of the gentlemen most interested in it came to the county and worked against me as strongly as he could in the election. Therefore I am not here to advocate their claims. But we want this power developed, provided always no right is given to export it. True, a great part of the power when developed would be sent to Montreal and other cities, but its development would be sure to lead to industries being established in the locality, and the people there need the power.

I say again, Mr. Speaker, that the Minister of Railways and Canals is wrong. Carillon is only one of the many water-powers covered by this bill. In order that every member may realize that that is the fact, I reiterate that

this charter covers all the powers on the Ottawa river, the Mattawa river and the French river, and that Carillon is only one of those powers, although it is a large one. In other words, the rich prize that the promoters of this bill are seeking is the control of 200 miles of lake and river and rapids with a potential horse-power of a million and a half, as has been stated on several occasions while the bill has been before the House. On the Ottawa river there is a million and a quarter horse-power, and the power on the other two rivers will bring up the total to a million and a half or perhaps two million. That, I claim, is the bone of contention, and I hope hon. members will not allow any argument to becloud the issue on that point.

Now a few words as to the bill itself. Section 1 provides that:

> The Montreal, Ottawa and Georgian Bay Canal Company, hereinafter called "the Company", may commence the construction of its canals, or any of them,—

or any of them be it noted.

> —and expend fifty thousand dollars thereon, on or before the first day of May, one thousand nine and thirty, and may complete the said canals and put them in operation before the first day of May, one thousand nine hundred and thirty-six.

The section concludes:

> —and if such construction is not commenced and such expenditure is not so made, or if the said canals are not completed and put in operation within the said periods respectively, the powers granted to the company by parliament shall cease and be null and void as respects so much of the said canals and works as then remains uncompleted.

I draw particular attention of hon. members to these words:

> —the powers granted to the company by parliament shall cease and be null and void as respects so much of the said canals and works as then remains uncompleted.

I ask you, Mr. Speaker, would it not be possible for the company under this authority to develop one or more of the water-powers and sell the electric energy without in any way operating a canal? In considering this point I will not refer to Carillon.

Mr. CHEVRIER: Since the hon. gentleman has seen fit to ask that question, will he kindly read the last portion of section 1 in the light of section 5 of the act of 1906, which repealed section 43 of the original charter, and then tell this hon. House whether he is still of the same opinion?

Sir GEORGE PERLEY: As I said when speaking before on this subject, my idea is that the best way to deal with the matter is to let the charter lapse, and have the government take it over under this clause.

Mr. CHEVRIER: Does my hon. friend mean that the government can take the charter over after it has lapsed?

Sir GEORGE PERLEY: That is merely a matter of verbiage. What I mean to say is, the government should take it over under the powers contained in the section to which he has referred. But that has nothing to do with the point I am trying to make with regard to section 1 of this bill. As I read section 1, it is altogether possible for the company to develop one power on the Ottawa river in the way I shall set forth, without proceeding any further. If hon. gentlemen will listen to me before shaking their heads they will agree with what I am going to say. In considering this point I will not refer to Carillon at all, because that raises the question of rival interests. Let us suppose that this bill should become law and that the charter were renewed under the terms of section 1. Could not the Georgian Bay Canal Company go to Deux Rivières, 150 miles from Ottawa, and there build a canal and lock, spending $50,000, as they are obliged to do under this section, or even more, which would be in no way connected with the rest of the canal or works? Could not the company then build a dam to develop water-power, and not to be used for canal purposes? Would it not be possible for them to develop the water-power at that particular point, having built a canal in that section in order to carry out the specific terms of section 1, and thereafter sell the electricity thus produced, without doing anything further?

Mr. LAPIERRE: Would not the committee stage be the appropriate place to settle that question?

Sir GEORGE PERLEY: Before I conclude I shall have a few words to say about the committee stage of these proceedings. Let me in the meantime develop the point I have in mind regarding the powers conferred by section 1. I am not a lawyer, and I am not affirming that what I have suggested can be done. I am, however, asking this question: Is it not possible under the terms of section 1 for the company, if they see fit, to do as I have outlined? Could they not, by building the canal and lock at that particular point and so complying with the terms of this section, sell all the power thereby developed without completing any of the rest of the waterway? And could they not do that at other points on the Ottawa river?

If they did, what remedy would there be? All that this parliament could do would be to declare the powers of the company null and void as respects so much of the canals and works as then remained uncompleted. But parliament could not take away the works already built. This section provides that they shall complete and put into operation the whole of the works before the first of May, 1936. But suppose that when that time came nothing had been done except the construction at Deux Rivières, where by building a high dam and putting the water back twenty miles or so they could develop a large horse-power: what remedy would the country have in that case? None. And the same argument would apply to other rapids and waterfalls on the Ottawa river.

It seems to me that this is a question worthy of the most serious consideration by members of this House. My view of the matter is confirmed by the following quotation from a letter which has been tabled and which is already in Hansard. The letter bears date January 17, 1925, written by the Deputy Minister of Justice to the Deputy Minister of Public Works in reference to the Montreal, Ottawa and Georgian bay canal, and the last sentence reads:

> In any event it seems to me that approval should be withheld unless the work proposed to be constructed will afford traffic and navigation facilities between points which can reasonably be regarded as terminal points of a canal.

That is the opinion of Mr. W. Stuart Edwards, the very capable Deputy Minister of Justice. In other words, he considers that no bill should be passed which would enable the company to develop one or two powers on the Ottawa river without proceeding to the construction of the canal itself.

I am more and more impressed, as I have listened to this debate, with the view that this is a question which should be settled by the two provinces concerned and the Dominion, the parties sitting around a table and coming to a satisfactory conclusion. This is a public matter of the gravest importance, having regard to the respective rights of the provinces and of the Dominion. I know there is considerable difference of opinion about it, and I have no doubt the Minister of Justice (Mr. Lapointe), who will follow me, will differ from some of the other lawyers in the House. He will agree with me, however, that the provinces have some rights on the Ottawa river, just as I am prepared to agree with him that the Dominion also has rights. I do not think these rights are well defined; at least, that is my opinion speaking as a layman. It seems to me that the only way in which the interest of the people can be safeguarded—because, after all, we are all for the people, whether we be members of a provincial legislature or of the House of Commons—is for the provinces and the Dominion to get together and come to some arrangement regarding the development and the division of water-power on this great river.

Before I sit down I want to say a word in regard to the amendment moved by the leader of the opposition (Mr. Guthrie). When I ventured to oppose the second reading of the bill I had no idea that the newspapers and the public generally would be so keenly interested in the question. I declared then that I was not trying to prevent the bill from going to the committee; I merely wanted to have members of this House as well as the public fully informed regarding the facts. I wanted the members here, before the bill was considered in committee, to be fully seized with the gravity of the situation, more especially in view of the fact that water-power has become an asset of such vital importance to everyone in this country. As I said before, I look forward to the time when our children, or at any rate our grandchildren, will have houses heated with white coal. And that being so it is my opinion that this asset should be retained as far as possible by the people. I think I made it abundantly clear then that I was against the renewal of the charter of the Georgian Bay Canal Company, and as the discussion has proceeded in this House it has become evident that there is a strong feeling in the country that the principle involved in the bill should not be embodied in a private measure. It is a public question which should be dealt with in public legislation. That being the case, and public interest having been aroused as it has been, I think the leader of the opposition was quite justified in moving his amendment to the effect that this matter being of a public nature should be dealt with in a public and not in a private bill. Under the circumstances I shall be very glad to support the amendment.

Hon. ERNEST LAPOINTE (Minister of Justice): I do not rise for the purpose of either supporting or condemning the merits of the proposed bill, nor do I intend to discuss its expediency. Nor shall I go into the advisability of leasing to private companies the rights of developing power on the Ottawa river, whoever the directors of those companies may be. I shall not even discuss the policy of public ownership, although I may say that while I am not vociferous or fanatical in support of that policy, I have had

occasion in the past to defend it against some gentlemen who are most violently opposed to the present bill. My purpose in rising is rather to perform what I deem to be my duty.

In the course of this debate, and outside of parliament, voices have been heard pleading and arguing for the rights of the provinces with regard to water-powers in navigable rivers, but so far no voice has been heard asserting the rights of the Dominion government. Without hestitation I have come to the conclusion that it is my duty as a member of the government and as Attorney General for this Dominion to defend the rights of the Dominion government in that respect; I do so the more easily because two years ago, when I occupied my present position, I had occasion to give my opinion on that very subject long before the renewal of this charter was before this House for discussion. In 1925 the Prime Minister (Mr. Mackenzie King) referred to me a letter which he had received from the premier of the province of Ontario, and asked me what I thought were the respective rights of the federal government and of the provinces with regard to such water-powers. I wrote a letter under date of June 1, 1925, which I desire to now read to the House:

My dear Prime Minister,

Referring to your letter of the 17th ultimo, re. development of additional power at Carillon rapids on the Ottawa river, I may say that ever since the year 1894 the improvement of navigation between Montreal, Ottawa and the Georgian bay has been given earnest consideration by successive administrations, and has formed the subject of parliamentary legislation authorizing the construction of the necessary works. For many reasons, which need not be detailed here, the erection of such works has been postponed from time to time, with the result that no major improvement has been made in the navigation of the Ottawa River. Leases have, however, been already granted covering navigation works at Carillon, one of which was dated the 31st March, 1911, and the other the 1st December, 1921.

With regard to Mr. Ferguson's suggestion that the action of this government should be made dependent upon the consent of the province of Ontario, my understanding is that any power which may be developed at Carillon will result from the erection of works for the improvement of navigation by or under the authority of the government under the powers conferred upon the Dominion by the British North America Act. Therefore, in so far as any questions regarding the improvement of navigation are concerned, the matter appears to be one in which the Dominion must proceed upon its own responsibility. It may be, however, that in the carrying out of these powers, or in the construction of the proposed works some interest of the province may be affected, and I think therefore that Mr. Ferguson should be informed that this government would welcome any representations which his government may desire to make upon the subject. So far as I am aware, any interest which the province may have in the matter is of a limited character, depending possibly upon the ownership of lands in the bed of the river or within the area to be flooded. Any interference by the Dominion with such right or interest would form the basis of compensation which might be agreed upon by the governments concerned, but which, in any event, could be determined by adjudication.

I suggest that Mr. Ferguson be informed that so far as the improvement of navigation and the incidental development and disposal of power is concerned, this government is desirous of serving the best interests of Canada, and would be glad to receive any representations or suggestions which the provincial governments may desire to make as to the advisability or otherwise of the proposed scheme, but that this government is unable to recognize any right on the part of the province to control the Dominion in the exercise of its constitutional powers.

Yours faithfully,

ERNEST LAPOINTE.

This opinion was sent to the Prime Minister after consultation with the officers of the Department of Justice, and was based on opinions given on various occasions by them and by their predecessors in the department.

Reference has been made in the course of this debate to a judgment delivered by the Privy Council in November of the same year, six months after this opinion was given. Let me say, Mr. Speaker, that the judgment of the Privy Council not only says nothing contrary to the opinion then given, but is rather in conformity therewith. I have a copy of that judgment in my hand, delivered in a case between the harbour commissioners of Montreal, the city of Montreal and the government of the province of Quebec. The harbour commissioners of Montreal, acting by virtue of the powers given them by this parliament, had constructed quays and other works and had used for that purpose certain parts of shores of the St. Lawrence river which were declared to be the property of the government of the province of Quebec. Here is what was stated in this judgment:

Now there is no doubt that the power to control navigation and shipping conferred on the Dominion by section 91, is to be widely construed. As was pointed out by Lord Herschell in the judgment which he delivered on behalf of the board in the first of the three fisheries cases . . . . the terms on which these powers are given are so wide as to be capable of allowing the Dominion parliament to restrict very seriously the exercise of proprietary rights in a fashion which, to a great extent, depends on the discretion of that parliament. What was said in that case about the enactment of regulations and restrictions in matters relating to fisheries being excluded from the competence of the provincial legislatures applies not less to matters relating to navigation and shipping. But while this is so, it does not appear to their

lordships that the right of the Dominion extends so as to authorize them to vest in a body like the commissioners an exclusive right to occupy property of the province without compensation—

Those are the important words.

—and to erect upon it permanent works, such as quays, docks and railways. It may well be that when the interests of navigation require it—

I call the attention of the House to these words.

—the Dominion parliament has authority to authorize the compulsory acquisition of lands on the terms of paying compensation; and it is to be noticed that the acts of 1873 and 1894 contain provisions of that nature. Their Lordships do not desire to throw any doubt upon the validity of those provisions. But in the present case no attempt to apply them was made by the commissioners, who took possession of and occupied the foreshore and bed without following the procedure laid down by the Railway Act, and in Their Lordships' view the provisions of section 91 (10) (of the British North America Act) standing alone did not justify their proceedings.

In the conclusion of that judgment they repeat again that in their view the harbour commissioners had no right to enter upon and take possession of the lands of the province without compensation.

Any impression that may have been created that the Dominion parliament have no power to authorize the erection of dams in navigable waters is certainly erroneous. The interest which any province can have in the erection of dams in navigable waters is such as it may possess by virtue of its proprietary rights in the bed or the solum, or a certain proprietary interest which it may have in the fisheries. The power to authorize the erection of a dam on any such works is, I claim, exclusively vested in the Dominion parliament; and the only limitation upon the power of the Dominion to expropriate provincial property for the purposes thereof is the limitation mentioned in the judgment of the Privy Council in the harbour commissioners' case, namely, that such power shall not be exercised without compensation. In that case the Privy Council did not decide that the Dominion could not authorize expropriation of provincial crown lands. On the contrary, they decided the opposite. They held in effect, that the particular statutes which authorized the harbour commissioners of Montreal in relation to these works were not effective to vest the provincial lands in question in the harbour commissioners unless compensation was paid for them.

Now whatever doubt there might have been as to the effect of that judgment has certainly been dispelled last year in another case which went to the Privy Council, namely, the reference which was made concerning the application of the Nipissing Central railway to build their line across crown lands of the province of Quebec. An application was made to the governor in council by the Nipissing Central railway, which is really a subsidiary of the railway belonging to the government of the province of Ontario, to be authorized to build their line through the crown lands of the province of Quebec under section 188 of the Railway Act. The province of Quebec took the stand very strongly that this section 188 of the Railway Act was unconstitutional, and that the Dominion government had no right to authorize any Dominion railway to take over lands belonging to the crown in the right of any province of Canada. Reference of this question was made to the Supreme Court of Canada and then to the Privy Council, and the judgment of the Privy Council was along the lines of the judgment which I have alluded to in the case of the harbour commissioners of Montreal. Their Lordships decided that section 188 was perfectly within the jurisdiction of the parliament of Canada, and that the Dominion railway authorized by this parliament had the right to take over the lands belonging to the crown in the right of the province, provided they paid compensation for them.

The solum of a river bed is property differing in no essential characteristic from any other lands, so that apart from the question of compensation above referred to, the interest of the province is no greater than that of any private owner of the bed. Now the legislative power of the province to legislate with regard to provincial property is subject to the paramount right of the Dominion to legislate with regard to Dominion property. Section 91 of the British North America Act gives the power to the parliament of Canada to legislate with regard to: navigation and shipping; fisheries; canals; and works for the general advantage of Canada; and the Dominion has ample power to authorize such works as come within these and other provisions of the British North America Act even without the consent of the provinces.

So far as the situation at Carillon is concerned, any proprietary interest which either Ontario or Quebec may have cannot be very considerable, because by section 108 of the British North America Act the public works and property of each province enumerated in the third schedule to the act became the property of Canada. The third schedule enumerates, amongst other properties:

(1) Canals—

And I wish the House to remember these words.

(1) Canals with lands and water-power connected therewith.
(5) Rivers and lake improvements.

Those which were existing at the time of confederation were specially stated in the British North America Act as being transferred to the Dominion of Canada. Chapter 28 of the consolidated statutes of the province of Canada, 1859, section 10, provides that:

—the several public works and buildings enumerated in the schedule to this act marked A, and all materials and other things belonging thereto, or prepared and obtained for the use of the same, shall be and continue to be,—except such (if any) as have been lawfully transferred to any municipality, company or party,—vested in Her Majesty, and under the management of the said commissioner for the purposes of this act.

Schedule A contains, under the heading "Navigation, Canals and Slides," the following item:

All such portions of the Ottawa river from the city of Ottawa upwards as have been or shall be improved at the expense of the provinces, the ordnance canals below the city of Ottawa and the Rideau canal and works.

Under these provisions the canal or canals at Carillon were vested in the province—I mean by the act of 1859—and by virtue of the provisions of section 108, schedule three, of the British North America Act, became the property of the Dominion at confederation, together with any "river improvements" which may have existed at that time.

The question of what interest, if any, the province may have in any water-powers which may come into existence by the erection of works for the improvement of navigation beyond what is required to operate the works has not yet been judicially determined. But I wish to call attention to this fact: the province of Ontario initiated two actions against the Dominion in the Exchequer court in the year 1912, with a view to having the contentions of the province adjudicated upon so far as the Trent canal and Welland canal are concerned, but the province has never proceeded with the litigation nor taken any other step to have its claims passed upon by a judicial tribunal. When the question comes to be determined, I believe the court will have to take cognizance of the fact that the provincial title to the bed of the river is burdened by the public right of navigation, which considerably decreased its value; that upon payment to the province of compensation for its proprietary interest in the bed of the stream, such interest according to the judgment of the Privy Council in the Montreal harbour commissioners' case, will be extinguished. Furthermore it has been held that the ownership of the bed of a river does not carry with it any proprietary interest in the waters which flow over it. The surplus waters in question do not exist by nature but are brought into being by the Dominion in the exercise of its powers.

If we take into consideration all that I have already mentioned as to the proprietorship of the canals as well as the improvements on the river having been transferred under the British North America Act to the Dominion of Canada at considerable cost and, I think, a cost disproportionate to any revenue which may be derived from the use even of the power, it follows that until the matter is judicially determined, the Dominion must regard the provincial interest in such water-powers as not being so considerable as some hon. gentlemen in the course of this debate have claimed.

The hon. member for West Calgary (Mr. Bennett) has alluded to the fact that in 1912, when the charter of the Georgian Bay Canal Company was renewed, a clause had been inserted for the purpose of meeting the demands of the province of Ontario. It was also inserted in 1913 when an amendment to the act was sought and given. It was also inserted in 1915, but it was omitted in 1918. Without being offensive to my good friend the leader of the opposition (Mr. Guthrie), may I remark that he was then a member of the government of Canada, and if it is a crime to-day to let a private bill giving a charter to the Georgian Bay Canal Company come before the House, surely it was not a particularly religious act or a manifestation of sanctity to do that in 1918, and more especially when there was omitted from that bill a clause which previously had been inserted to meet the demands of Ontario?

Mr. GUTHRIE: I may be wrong, but I think the minister is in error in saying that the clause was omitted from the bill. It was, but it was not repealed in the former bill, was it? It was continued. If the minister will make investigation he will find that that particular section is still in force because it was not repealed.

Mr. LAPOINTE: But why did my hon. friend and his friends at that time change the wording of the clause? In 1918 a clause was inserted saving the rights of the Dominion government but omitting those of the province, although the latter provision had been put into the former charter.

Mr. GUTHRIE: That was done because the section in the former charter was still in existence. It was not repealed and it is in existence to-day.

Mr. LAPOINTE: I do not think it would have done any harm to repeat it in the bill of 1918.

Mr. GUTHRIE: It would not have done any good.

Mr. LAPOINTE: The hon. member for West Calgary admitted that it was omitted in 1918. Of course I think he and I are agreed on this, that in 1918 many queer things were done by the government of the day. I am sorry I was unavoidably absent from the House on Friday night when the hon. member for West Calgary made a very interesting speech. I will comment only on this observation of his as reported on page 1576 of Hansard. He said:

> What is my duty? My duty is, so far as my vote and voice are concerned, to see to it that this parliament gives no new life to an enterprise that we would not in this day create if we were called upon to do so, and that we leave the river Ottawa free, by permitting this charter to lapse and by refusing to renew the license to the private company, reserving the vested rights of the owners of the 250 horsepower development.

That is a repentance on the part of my hon. friend, because he was a member of the government that a few months ago renewed the lease.

Mr. BENNETT: My hon. friend, I think, has misunderstood the situation. The lease to which I had reference was the lease that existed in 1911.

Mr. LAPOINTE: That is right.

Mr. BENNETT: As the government had accepted the responsibility of cancelling the order in council made on the recommendation of the hon. member for West York (Sir Henry Drayton) and thereby assumed the responsibility until the first of May, I said: let it die on the first of May and do not extend it, and I say so now.

Mr. LAPOINTE: But if this government had not cancelled that order in council, the lease would be in existence long after the first of May next.

Mr. BENNETT: No, the time within which the company would have to expend the money would expire before that.

Mr. LAPOINTE: My good friend ought not to try to excuse himself. It is nice to have signs of repentance.

[Mr. Lapointe.]

Mr. BENNETT: New occasions teach new duties.

Mr. LAPOINTE: This bill asks for the renewal of a charter granted by the parliament of Canada and renewed, if I am not mistaken, twelve or thirteen times. Its renewal is asked again. It may be that in view of failure of the company to carry out the works which it was authorized to build, in view of the fact that the development of electrical power and its use all over Canada have brought about a change in the situation, it may be that it would not be expedient to renew for the thirteenth or fourteenth time the charter of the company, but it is for the committee to decide whether to do so would be expedient or not.

So far as I am concerned, if one half—and I wish everybody to listen to me—of the statements which have been made during the course of this debate are true, I will oppose the bill when it comes to its final stages; but I want to give what is granted to everybody in a free country, a hearing to interested parties before a committee of this House. That is why I will vote for the second reading of this bill; but when the other stages come, I am from Missouri; I want to be shown.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my purpose in rising is not to discuss either the merits or the demerits of this particular bill, but rather to draw the attention of the House to what appears to be a very material change in its procedure, and in this connection to the difference between public legislation and private legislation, and the function which parliament was intended to serve in reference thereto. Hon. members will, I think, agree that parliament was created primarily for the purpose of enacting measures in the interest of the public generally. Parliament was not created primarily for the purpose of dealing with private legislation. We have only to look at the rules adopted in relation to public and private measures to see how entirely different is the procedure in the two classes of measures.

I need not review the procedure in regard to public bills; it is known and understood by every hon. member in this House. I would, however, draw the attention of parliament to the fact that as respects private legislation there is a material difference. In dealing with private legislation, parliament acts partly in a legislative capacity, partly in a judicial capacity. Before a private bill can come before this House the parties who are interested are required to pay a fee in order to entitle them to have their petition even considered.

They are obliged to advertise in the public press and in the Canada Gazette with reference to the measure which they intend to present to the House. Before a committee of the House, the parties opposed to them are permitted to appear and to be heard by counsel if so desired. In other words parliament's duty with respect to private legislation is to act partly as a legislative body and partly also as a judicial body. It is apparent that except for most exceptional purposes, the House of Commons collectively is not so constituted as to undertake work of a judicial character. For that reason arrangement is made in the procedure whereby private bills are referred to committees, constituted primarily for the purpose of considering from a judicial point of view whether or not the legislation is of a character which parliament should entertain and pass, and it is for that reason that, with respect to the second reading of private bills, it has never been understood that parliament is passing, excepting conditionally, upon the general principle which is involved in the legislation that is before the House. I think it is important that this should be clearly understood, because if we once permit a departure from the general rule which parliament through its many years of existence had adopted, we shall be establishing a precedent that may be fatal to the progress of legislation in this chamber.

It was on the 25th of February last that the present bill respecting the Georgian bay canal was first discussed in the House. From that day to this on practically every private members' day the time of parliament has been occupied with the discussion of this particular measure. Four full days of the time of parliament have been occupied in the discussion, and the one hour set apart for private legislation has been taken up on eight other different days. On about twelve or thirteen days for the period of time set apart for a consideration of private legislation the time of this House has been exclusively occupied in discussing matters relating to the Georgian bay canal. I contend that of itself that is a sufficient answer as to the propriety of the course which parliament has been taking. It was never intended under any rule of this House that private legislation should occupy such a large part of the time intended to be devoted to public matters by those who were sent to this House to represent the people in reference thereto. The authorities on private and public legislation are in accord in laying down the distinction between the importance to be attached to the second reading of a private bill and that to be attached to the second reading of a public measure; they make it quite clear that, unless the general principle of a private bill is contrary to the public interest, that bill ought to go to committee, there to be adjudicated on with reference to its expediency.

Now, the general principle of a bill does not mean the details of the measure. It does not mean the various matters incidental to the measure; it means simply what the words themselves purport to mean, namely, a broad principle applicable to legislation generally, and equally applicable in one part of the country or another. The general principle to be decided in reference to a private measure is, so to speak, the public morality of the particular measure, whether or not the measure is of a kind that parliament ought to entertain, having regard to its character in a broad way—not the particular application of the measure, not some special feature, not its expediency at a particular time or place, but the broad general principle. Let me illustrate: if a private bill were brought in to license a gambling house, parliament would say at once: "There is here a general principle which we cannot entertain", and the bill would be thrown to one side. But if a private bill is brought into the House to give authority to some person to construct an edifice, or a canal, or a work of any particular kind, the principle there is the principle of allowing the construction of the particular kind of device or structure referred to, whatever it may be. If a bill is brought into the House with regard to the licensing of power or the granting of power rights, the general principle there is not whether rights should be granted to a particular company, not whether rights should be granted at a particular place, but the broad principle whether parliament ought to grant licenses for power, or give power rights at any time or place.

May I quote one or two authorities in support of what I have just said? First of all, I will refer to a statement by Mr. Francis Palgrave, made before a special committee of the British House of Commons as early as the 22nd June, 1832, because it helps to disclose how private legislation has found its way into the discussions of parliament:

> The ancient rule as to petitioners for private legislation said Sir Francis Palgrave, was that "no person should come before parliament as a suitor, or trouble parliament if, on the face of his petition, he could have right at home. If there was any other mode of obtaining redress he was not to apply to parliament, but if from the insufficiency of the law or any other similar cause he could not obtain redress, then the supreme court of parliament was to give

him a speedy and effectual remedy. This course continued until the time of Richard II, when courts of equity were gradually established. The remedial jurisdiction of parliament wholly ceased and was only revived under James I. Private acts of parliament have arisen out of the ancient petition for redress and were formerly called the "Privilegium" because parliament in passing them was considered as granting a privilege. For this reason the committees of the House investigate the facts in each case and report. The House, in reading a private bill for the second time, decides that the matter involved is one which may be looked into by the committee. It is only in case that an exceptional principle is enunciated that the second reading is refused."

I would ask hon. members to note these words by a well-recognized authority on both private and public legislation:

The House in reading a private bill for the second time, decides that the matter involved is one which may be looked into by the committee. It is only in case that an exceptional principle is enunciated that the second reading is refused.

Mr. CAHAN: Would my hon. friend explain his position: Is this not an exceptional case? That is the question which is in the minds of many hon. members of this House.

Mr. MACKENZIE KING: My answer to my hon. friend is that this is the thirteenth time that the bill to grant a charter to the Georgian Bay Canal Company has come before the House and that it has been favourably passed upon on all previous occasions. How can my hon. friend say that an exceptional principle is being enunciated?

Mr. CAHAN: I heard the Minister of Railways (Mr. Dunning) the other night distinctly state to the House that the gist of this measure was not a canal project, but a project for the development of power, and it made a great impression upon my mind.

Mr.MACKENZIE KING: I do not think the hon. Minister of Railways made that statement at all, with all due respect to my hon. friend. I think he said the bone of contention was power rights as between private interests arising out of the canal project. That is a matter that can well be elucidated in committee of the House. That is why, if referred to the committee, the bill would serve to bring out possibly not only the interests that are asking for this particular measure, but the interests that are opposing it, and which it is very much in the public interest to have known.

I pause here to indicate to the House the different views taken by some hon. members in reference to the principle which is being considered. The hon. member for West Calgary (Mr. Bennett) devoted I think, more time than any other hon. member to discussing the question of principle, and in the course of his speech he enunciated four different principles as those underlying this particular measure. Surely my hon. friend will admit that a committee of the House in deciding the general principle of the bill must lay down one general principle, not four. The first principle laid down by my hon. friend will be found in Hansard at page 1454. There he is reported as follows:

My friend has asked me what is the principle of the bill. Its principle is determined from reading the bill itself. The bill divides itself into two parts: (a) canal, (b) power.

A little further down, concluding the paragraph, my hon. friend says:

The construction and operation of power plants with authority to sell power to consumers. That is the principle of the bill.

Mr. BENNETT: With all that has gone before it.

Mr. MACKENZIE KING: That is the first statement, made on the night of March 22 last. Speaking last Friday, my hon. friend is reported at page 1571 of Hansard as having said:

If hon. gentlemen will look through the bill they will find that the principle of this proposed legisation is: To enable this company, the Montreal, Ottawa and Georgian Bay Canal Company, hereinafter called "the company" to commence the construction of its canals or any of them.

That is principle number two, emphatically so stated.

Mr. BENNETT: The Prime Minister has no right to misstate the matter. I was then repeating what I had already said in the first instance, and I said in terms that the purpose of the bill, was, first, canal and, second, power. That is a restatement.

Mr, MACKENZIE KING: The last thing I wish to do is to misrepresent my hon. friend in any way. He says the last part is a restatement of the first. I would say, rather, that it is supplementary, and I think he will agree that in so saying I am doing him justice.

Mr. BENNETT: Yes.

Mr. MACKENZIE KING: Let me take the third principle he enunciated. At page 1571 of Hansard there appears the following, which probably is also a supplementary principle:

Therefore the powers of this company are divided into two branches: (a) Its canal undertaking; (b) its power undertaking; and the principle of the measure is—

What? Not to construct canals, not to develop power, but—

to renew the life of, revivify and resuscitate a company whose life will expire on May 1 next.

Mr. BENNETT: Hear, hear.

Mr. MACKENZIE KING: Then at page 1665 of Hansard we have the fourth statement:

The right of this company to a renewal of this charter. That is the principle of this measure.

May I draw the attention of the House to those four statements of general principle—first, to construct and operate power plants, second, to enable a company to commence the construction of its canal, third, to renew the life of, revivify and resuscitate a company whose life will expire, and, lastly, the right of a company to a renewal of its charter. If any one of these is to be considered as a general principle underlying a bill—using the word "principle" in its broad sense, forgetting the reference to any particular question of expediency in regard to this particular measure—I say on any of those principles this House would be justified in letting a bill go to a special committee.

What is wrong in principle, in this House agreeing to the construction and operation of power plants? Is there anything wrong in the general principle? That is one statement of the general principle of this bill. It may not be expedient, but that is for the committee to decide. There may be allegations of fact that cannot be supported in the committee; but the broad question of principle is simply whether this House should allow as a proper bill to be considered by a committee, a bill relating to the construction and operation of power plants. Take the second principle enunciated by my hon. friend—to enable the company to commence the construction of a canal. Since when has it become wrong in principle for this parliament to permit the construction of a canal? That is the only principle laid down there. It has to be a principle which applies from one end of this Dominion to the other. You cannot refuse on ground of principle the construction of a canal on the Georgian bay or on the Ottawa river, and not at the same time thereby establish a precedent to govern at some future date and other place say this construction of a canal in the maritime provinces or in British Columbia.

Mr. BENNETT: May I ask the right hon. gentleman without interrupting—is there upon the statute books any act incorporating a canal company and empowering it to charge tolls?

Mr. MACKENZIE KING: That is aside from the question altogether.

Mr. BENNETT: It is the whole question.

Mr. MACKENZIE KING: Whether it is proper that a particular canal company should charge tolls is a matter for a committee to inquire into.

Mr. WOODSWORTH: If I may ask the Prime Minister a question: Is there not involved the principle whether this country is prepared to allow a private enterprise to construct a canal through national waters?

Mr. MACKENZIE KING: Whether a private company should have the right to construct a canal anywhere is a perfectly reasonable question. It involves no improper principle.

Mr. WOODSWORTH: Is not that the very point at issue here that we have to decide on the second reading?

Mr. MACKENZIE KING: No. The point I am trying to make clear to my hon. friend is this: that the expediency of a particular project is part of the judicial work which parliament carries on through its committee. All this House is asked to pass on in the way of principle in referring this bill to a committee is, as I read the measure, the principle of the construction of a canal. Some gentlemen say it is a question of power, others say the renewal of the charter is involved. These are broad principles, and all parliament does is to refer the matter for further consideration by a committee before any legislation is adopted. Let me say to my hon. friend that parliament has already referred this very matter twelve times with respect to this particular measure. So we are not laying down any new principle at the present time.

May I read one or two other authorities? Sir Courtney Ilbert, late Clerk of the British House of Commons, states:

The proceedings on private bills resemble more closely private litigation between parties interested than a discussion on questions of public policy. The procedure followed for their introduction is different from that provided in the rules for public measures.

The Canadian House of Commons has adopted forty-one special rules respecting private legislation. A petition has to be presented and accepted. Applicants have to advertise in the local newspapers and in the Canada Gazette. A deposit has to be made before the House considers the bill, and parliamentary agents are authorized to appear before the committee on behalf of the interested parties. The object of a private bill is to induce parliament to make an exception from the general law for something which cannot be obtained by means of the general law.

Dodd and Wilberforce on Private Bill Procedure at page 20 has the following:

> The House does not profess to decide upon the second reading as to the truth or otherwise of the allegations of fact upon which a proposed bill is based, and in conceding a second reading to a private bill the House is regarded as merely giving its sanction to its general principle on the hypothesis that the committee to which it is afterwards referred finds those allegations proved. It is usual, therefore, to allow a second reading, except where the bill enunciates some principle which the House is not prepared to affirm.

If we take the references made by hon. gentlemen opposite as to what the principle of this bill is, up to the present moment no principle has been cited which, as a general principle, this House should not be prepared to recognize one on which a private bill might be considered by a committee.

Let me give a further citation which has an immediate bearing on this bill inasmuch as it refers to a parallel case in the British House of Commons. The Hon. Mr. Lowther, for many years Speaker of the British House, had been before his elevation to that office chairman of committees of the House of Commons, and in that capacity gave more attention to matters of procedure in the House than possibly any other member. As chairman of the committee of ways and means, Mr. Lowther, speaking on February 25, 1896 said:

> The rule which the House had generally followed, and he thought very wisely, had been to allow the second reading of private bills to go through unless any strikingly new principle happened to be enunciated therein, and in such cases the House must pause before it accepted the principle. Certain objections had been taken to the bill by the hon. member who raised the opposition to it, but he thought they were all committee objections, and that the proper place to deal with them would be in committee, not upon the second reading. No new principle being promulgated, the House would do well to follow the rule it had invariably followed in former parliaments—namely, to give the bill a second reading, and send it upstairs, in order that it might be dealt with there in the usual manner.

That is taken from the Parliamentary Debates, fourth series, volume 2 37, 1896.

Mr. EVANS: May I ask the Prime Minister this question here and now? I gather that he admits that the construction of a national waterway under private ownership and control is a perfectly legitimate matter for this House to consider. Is that right?

Mr. MACKENZIE KING: There are times and seasons for all things, and on fourteen occasions, I think, this House has done the very thing which my hon. friend suggests is at this moment an improper course for us to take. And I believe the hon. gentleman was a member of the House on some of those occasions.

Mr. SPENCE (Parkdale): Why repeat it?

Mr. MACKENZIE KING: That is a question of expediency for the committee to consider. I cannot say what view the committee will take of the measure, but I am sure that all representations that can be made will be submitted to the committee. Furthermore, every member of the committee is a member of this House. In that regard let me make it clear what particular committee will be charged with the consideration of this bill. The hon. member for West Calgary (Mr. Bennett) indicated the other evening that the bill would go to the private bills committee.

Mr. BENNETT: I corrected that.

Mr. MACKENZIE KING: That is not the intention. Let me read rule 101 relating to bills and petitions:

> Every private bill, when read a second time, is referred to one of the standing committees as follows: bills relating to banks, insurance, trade and commerce, to the committee on Banking and Commerce; bills relating to railways, canals, telegraphs, canal and railway bridges, to the committee on Railways, Canals and Telegraph Lines; the bills not coming under these classes to the committee on Miscellaneous Private Bills, and all petitions for or against the bills are considered as referred to such committee.

Inasmuch therefore as this bill has reference to canals it will go to the committee on railways and canals.

In support of my contention that the bill is one concerned with canals, may I, Mr. Speaker, quote your own statement in taking exception to an amendment which was moved by an hon. member on the night of March 21. On that occasion Your Honour made the following assertion:

> The purpose of the bill apparently is for the construction of a canal.

And elsewhere:

> As a matter of fact the bill is simply for the extension of time for the construction of a canal.

May I say, speaking for myself, that that is the only general principle which I think it is possible properly to apply to this bill: it is a bill relating to the construction of a canal, and as such it should be referred to the committee on railways and canals for adjudication. It will then be for the committee on railways and canals to say whether it is such in fact and whether it is expedient for parlia-

ment at this particular time to entertain the measure in the form in which it has been sent to them.

Before I conclude I should like to quote the following reference which has been submitted by my hon. friend opposite from his point of view. I desire to quote it in support of my contention. I refer to what Bourinot has to say at page 599, of the fourth edition, in reference to the second reading of private bills:

> The second reading corresponds with the same stage in other bills, and in agreeing to it, the House affirms the general principle, or expediency of the measure. There is, however, a distinction between the second reading of a public, and of a private bill, which should not be overlooked. A public bill being founded on reasons of state policy, the House, in agreeing to its second reading, accepts and affirms those reasons; but the expediency of a private bill, being mainly founded upon allegations of fact, which have not yet been proved, the House, in agreeing to its second reading, affirms the principle of the bill, conditionally, and subject to the proof of such allegations before the committee. Where, irrespective of such facts, the principle is objectionable, the House will not consent to the second reading; but otherwise the expediency of the measure is usually left for the consideration of the committee.

I desire to reiterate what I said at the outset. Should the amendment of my hon. friend opposite carry and this bill not be permitted to go to the committee, we shall have established with respect to private bills a new precedent which may become an instrument not only for consuming the time of parliament but for preventing the House from having the opportunity which it should have of dealing with public legislation. More than that, it may become a very powerful instrument for preventing other parties, who have private legislation to be considered by parliament, from ever obtaining a chance for that legislation to be dealt with. We are now, I hope, within measurable distance of the conclusion of the session, and if this debate continues much longer, as it easily can if hon. members are determined to obstruct private legislation, all other persons having private bills to be considered at this session will lose their opportunity entirely. Only by common consent of both sides of the House have a number of private measures gone to the committee. But for the Speaker having taken a generous view of the wishes of the House, and by my hon. friend opposite and myself having agreed at each stage to allow certain measures, which stood on the order paper below the Georgian bay canal bill, to go to committee, practically the whole of the private legislation of this session would have been held up until the present moment. It must be apparent that once the precedent is established which it is sought now to create, this parliament is opening the door to a course of procedure which in the future may prove perilous. If persons who are interested in defeating a private measure find a successful method to be that of defeating it on the second reading of the bill in this House and before it goes to a committee, we may expect interests, adverse to other private legislation, to adopt similar methods. It is quite possible that we may find parties interested in defeating private legislation resorting to this method as a means of preventing other legislation from ever being considered by parliament. This method of obstructing the second reading of private bills may be resorted to as a means of preventing not only the particular measure being discussed but any measure subsequently introduced from ever receiving from parliament the consideration it should.

In this particular matter there is involved a wider principle, namely, whether we shall depart from the time-honoured custom of permitting private bills to receive their second reading and to be referred to a committee, conditionally, the understanding being that the committee as a judicial body shall determine whether or not it is expedient, in the light of all the facts and circumstances, for such bills to be favourably reported upon. The question now to be decided is whether we shall recognize and continue that custom, or whether we shall begin a new course of procedure that may affect the whole trend and progress of public business in this House. Let me point out that when this bill goes to the committee it will be not only the right but that it is the duty of every member freely to exercise his judgment.

There is no commitment of any kind on the part of the government in respect to this measure. The government has no interest whatever in this measure apart from having it dealt with as other private bills are dealt with; with as other private bills are dealt with; the government has never had any interest, directly or indirectly, other than to see that all parties who appear here with respect to private legislation are treated alike. Should the bill come back from committee hon. members of this House will be as free as possible to vote as they please with respect to the measure. All I am asking at present, as one who has some responsibility for procedure in this House, is that hon. members consider this vote as one

having reference primarily to the procedure of this parliament in regard to private legislation generally.

Mr. C. H. CAHAN (St. Lawrence-St. George): I desire to take only a few moments of the time of the House. I think everyone agrees entirely with the authorities cited by the Prime Minister with respect to private bills, and I think the House should deprecate any effort to talk out a bill which is really a private bill, to prevent it from passing simply by an exercise of the vocal powers of the members on every hour and every day when private bills may be discussed. The House can have only one opinion in that regard. But the Minister of Justice (Mr. Lapointe) in the carefully prepared statement which he made to the House to-night, disclosed that there are very grave issues of public policy involved in the subject matter of this discussion.

I do not pretend to give an opinion on the constitutional questions involved. But I have always been under the impression that the provisions of the act of confederation and the schedules thereto, to which the minister made allusion, created prima facie very strong ground for the argument that the Dominion parliament, having legislative jurisdiction over certain navigable waters, and having legislative jurisdiction with regard to canals at the time of confederation, took over and vested in the crown in the right of the Dominion government not only the canals then in existence but the water-powers then being developed supplementary or ancillary to the construction and operation of these canals, and became vested with the right to utilize these water-powers for hydro-electric purposes; and that when thereafter parliament had undertaken to legislate in regard to canals, and when the government had undertaken to construct canals, the use of the waters and all rights in and to the hydro-electric power developed as ancillary to the construction of those canals, vested in the Dominion government. There are strong grounds for that contention, and, in view of other matters which will come before parliament in the next few years, it is advisable that that issue should speedily be decided by the highest courts of the country, in order that we may know, in connection with the development not only of the canals on the Ottawa river but the canals on other great rivers whether, having constructed the canals, the crown in the right of the federal government has the property title and interest in and to the hydro electric power thereby developed.

[Mr. Mackenzie King.]

I am disposed to believe that the crown in the right of the Dominion government has that title, and if so we may settle this question of the title to hydro-electric power developed by government canals on navigable streams in a way which will not be in accord with the contentions of the provincial governments of Ontario and Quebec. That being so, and that question of title having been raised in relation to this bill, both by the legislature and government of Ontario and the legislature and government of Quebec, it is clearly apparent that this bill involves questions of grave public policy. I would be the last to attempt to prevent in any direct or indirect way any private bill from going before the standing committee which has power to investigate its merits and hear the evidence of the parties concerned; but, in respect of this bill, the moment the issue arose that it involved grave questions of public policy, questions concerning which the legislatures and governments of Ontario and Quebec had taken a strong stand, then it became the duty of this government to assume full responsibility in the matter and either to request the promoters of this bill to withdraw it for the time being or, with full knowledge of the issues involved, for the Prime Minister, as the leader of the House, from his place in the House to rise and take full responsibility for the measure, and ask that it be placed upon the public orders as a government measure. In view of the issues which are involved it would be wrong for this House any longer to regard this as purely a private bill involving nothing more than is involved in the ordinary private bill coming before the House. That is my opinion about it.

The Prime Minister has stated that on some twelve or thirteen occasions similar bills have been before the House and have passed the second reading and been sent to committee. All I can say in that regard is that the issues which are raised to-day were not raised on any of those occasions, and, if these issues had been raised by the governments of the two adjoining provinces on any previous occasion, it would then have become apparent that grave matters of public policy were involved, and, in fulfilling its due responsibility of guarding the public estate which is vested in the crown in the right of the Dominion government, the government would not have allowed the bill to go before the committee on private bills. As soon as a private bill clearly takes on the aspect of a public bill, just so soon should all the rules with regard to public bills apply, and just so soon should

the government assume the responsibility of dealing with it as a public bill. That is my view of the question.

Hon. W. D. EULER (Minister of Customs and Excise): Mr. Speaker, perhaps I should apologize to the House for rising after the Prime Minister (Mr. Mackenzie King) had apparently closed the debate. I may also say that I do not propose to answer the more or less constitutional argument advanced by the hon. member for St. Lawrence-St. George (Mr. Cahan). This bill being a private measure, I should like to state very clearly at the outset that I am speaking not as a member of the government but rather as the representative of a constituency which takes a very keen interest in the principle of public ownership. If I may be pardoned for making the reference, I might say that the constituency of North Waterloo, which I have the honour to represent, is the birthplace of the great hydro electric enterprise in the province of Ontario. The men who initiated that enterprise—which I think is the outstanding successful example of a great public utility—the men who initiated that enterprise in a practical way were men from the constituency of North Waterloo, and it was in the city of Kitchener, in that constituency, that the power from Niagara was officially inaugurated. And so Kitchener was a leader in the initiation and use of Niagara power in the province of Ontario The city of Kitchener has been very successful along other lines in the conduct of public utilities under public ownership; and it was because of that, and for other reasons, that a good many years ago I became convinced that the great majority of public services upon which depend the convenience and the prosperity of the people in general ought to be owned and controlled by the people themselves. In that I also include the development of some of our natural resources such as, for example, the development of water-powers on our great rivers.

The bill under discussion touches that principle at two points; that of the construction of the canal, and the development of the water-powers following upon the construction of the canal. So far as I am concerned I would oppose the bill itself on both counts. If it is indeed feasible, which I very much doubt—I doubt whether the Georgian bay canal can be constructed—I would say that when the time comes when it ought to be constructed it should be built by the people of Canada themselves. But the matter of power, I think, is at the moment of more importance than the canal; and I would regard it as almost unthinkable in these days, with the advancement that has been made in the development of water-powers, in the province of Ontario at least, that the control and ownership of such powers should be placed in private hands. I also realize the difficulty with regard to the matter of public ownership with regard to the powers on the Ottawa river. As it happens, our friends in the province of Quebec—and I have no fault to find with them at all—are not so favorable to the principle of public ownership as we are in the province of Ontario, but I would make this suggestion: that since the Dominion undoubtedly has rights on the Ottawa, and as both provinces undoubtedly have rights on that river, it is advisable, and I think feasible, that a conference should be held between the three governments for the purpose of arriving at a satisfactory settlement of the various rights and to decide upon an equitable arrangement with regard to the powers on that river. You might have several solutions, and I want to advance one which has not yet been mentioned in this House: it might conceivably be decided at such a conference that it would be in the public interest that some private company should be given the development of these power rights. I do not think that would follow; I hope it would not. It might be decided between the provinces that they could get together and in a publicly-owned enterprise develop the powers on the Ottawa river. And then there is this further suggestion I should like to make, although it may be regarded as impracticable. The Dominion government has undoubted navigation rights on the Ottawa river, and I have been informed that it would be a not very expensive undertaking to canalize the Ottawa river from Carillon down to the St. Lawrence—that it would cost very little. In connection with that development several hundred thousand horse-power could be secured, and it might be regarded as a very good solution of the whole problem if the Dominion government developed the power, and then sold it to the Ontario hydro commission and to those in the province of Quebec who might desire to purchase.

Mr. LAPOINTE: I am willing.

Mr. EULER: While I think there is no misapprehension in the House as to the meaning of the motion upon which we are to vote to-night, I think there is some misapprehension throughout the country because of propaganda—may I call it?—in the press in one way and another. I would not say it was intentional propaganda, but I believe that throughout the country, and largely in the province of Ontario, there is an impression

that the vote at this particular moment decides whether the powers on the Ottawa river shall be given to private interests or whether they shall not. Now that is a misapprehension. After all, what we are voting on to-night is whether this bill shall go to a committee or whether it shall be killed here. I believe there are a good many hon. members, especially on this side, who are quite willing, and perhaps even anxious, that the bill should go to a committee, and yet when it comes to the point of deciding whether the bill shall pass or not will be absolutely opposed to it. But I am inclined to think that opinion is not entirely unanimous on the other side with regard to that point. I think I am correct as to that because I remember very well on the occasion when the hon. member for Argenteuil (Sir George Perley) spoke on the original motion he was not opposed to sending it to committee. Here are his exact words:

> I shall take this opportunity again to make plain my position as I am anxious not to be misunderstood in the matter. It is not my intention to prevent the bill from being referred to and considered by the committee on railways.

So that there must have been some change of opinion on the part of my hon. friend.

Mr. SPENCE (Parkdale): Would the minister tell us how he intends to vote himself?

Mr. EULER: I will tell my hon. friend in a few minutes. There are those who think that the ordinary and regular course with respect to private bills should be followed in this case, and that it ought to go to committee. There are others, like my hon. friend from West Calgary (Mr. Bennett) who believe an important principle of public policy is involved and therefore that the bill should be dealt with on the second reading. I am not quarreling with either of these opinions; I think there is room for argument in both cases. I do believe this though: that the important thing to remember is—whether the bill shall carry or not. The motion to-night does not decide that. It merely decides whether it goes to committee or not. There are those of us, and I am almost one of them, who think that we should not consider at any length the principle of granting power rights on the Ottawa to a private concern. If some hon. members believe that this bill should be fought at every turn, I would suggest it would have been just as appropriate, instead of fighting it on the second reading, to have fought it on the first reading, and to have had nothing to do with the proposal whatever. I am not particularly bound to precedent; perhaps less so than any other hon. member here. I think we bow entirely too much to precedent. We have first, second and third reading of a bill, and of a resolution, and the same thing takes place in the Senate. I think our committee on rules which made suggestions as to the form of those rules might very well have gone a little further and cut out some of the red tape with which we are burdened in the House now.

In conclusion I wish to say this, and I say it without offence to anybody: I do not for one moment imagine that the constitution will be shattered into fragments if this bill does not go to committee. Neither do I believe that if it does go to committee, anybody's conscience, so far as public ownership is concerned, will be violated in any particular.

Mr. CHAPLIN: Our status will not be changed?

Mr. EULER: Not at all. It is to me merely a matter of method, as to where this bill shall be done to death; whether it shall be killed in the House on the vote which will follow, or whether it shall meet exactly the same fate in committee, because I am convinced that the committee, as I think it ought to do, will kill the bill. The province of Ontario—and perhaps I can speak for that province more than for any other part of Canada—is almost unanimous against this bill. I have received telegrams and letters from at least fifty or sixty municipalities all asking that this bill be not allowed to pass, but I have not received one from a single municipality asking that this bill should not go to committee.

Mr. CHAPLIN: The minister may be able to explain the matter to them.

Mr. EULER: I will. I shall have no difficulty about that. I am sure that nothing which might be adduced before that committee could change my opinion as to the advisability of not allowing this charter to be renewed again. I am free to say that I am opposed to the bill in its entirety. I have no particular objection to its going to committee; but I do say this—and none other has said it—that if this bill should by any chance survive, if it does go to committee, when it returns to this House for third reading I shall assuredly vote against it and oppose it with all the power I may possess.

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, I am sure you, Sir, as well as many other members of the House, must be much impressed with the spectacle which we have witnessed to-night in the belated statement of the position of the government in regard to this bill. The first minister to speak, the Minister of Justice (Mr. Lapointe)

reviewed at considerable length the constitutional feature of the bill. But I will draw to the attention of the House the fact that his whole argument was based upon the premise that we were discussing the question of the right of the Dominion government to deal with matters pertaining to navigable waters. The whole of his citations, his own learned judgment or statement of his opinion, the statements from the Privy Council, the Supreme Court of Canada and the Privy Council again, all referred to matters having to do with navigable waters. No person on this side of the House or, indeed, in the House, has argued that this parliament has not the absolute right to deal with measures pertaining to navigable waters. What those on this side who have taken the constitutional question in hand argue is that this bill is as a matter of fact a deceitful measure. It is given to this House as a measure for the construction of a canal, when every hon. member knows—and all who have spoken except the hon. member fathering the bill acknowledge it—that it is in fact a measure for the promotion of water-power development, an altogether different proposition. None of the citations of the Minister of Justice dealt with that feature of the case.

The Prime Minister (Mr. Mackenzie King) who followed, spent practically all his time in an effort to establish the principle of sending this bill to a committee of the House and to impress upon the House and the country that it was the duty of the House to send the bill to a committee; that the House had no real choice in the matter; that if we did not do that we would violate some cherished principle of constitutional and popular government. As a matter of fact all the rules pertaining to this subject, every citation he made, as well as the practice of this House and of the British House, are to the effect that the second reading is the occasion upon which, if we have an objection to the principle of a bill, that objection should be registered.

Not only is that the case, but according to our rules governing private bills, if this bill goes to the select committee, that committee have no power to alter the principle of the bill. That committee cannot vary the nature of the bill from what was sent to them by this House. With the consent of the promoters of the bill they may vary it to some extent; but if they do so, they must report the variations to the House. Furthermore, that committee are not permitted to follow the suggestion made by the Minister of Customs (Mr. Euler) namely to kill the bill. By the rules of the House they are specifically precluded from delaying or in any other way killing the bill. They must report the bill to the House. It is infinitely more of an invasion of the rights of the citizens of Canada, which rights were referred to so touchingly by the Prime Minister, to refuse to report the bill to the House than to refuse to send the bill to committee. What I want to impress upon the minds of every hon. member who has been arguing on this point is that the committee have no right to vary the principle of the bill; they have no right to curtail the powers contained in the bill, and they must report the bill to the House. They have no right by underhand methods to assassinate the bill, as has been suggested by the Minister of Customs.

Mr. EULER: Have they not the right to report to the House unfavourably on the bill?

Mr. STEVENS: They may report unfavourably.

Mr. EULER: Does that not kill the bill?

Mr. STEVENS: I will admit that they may report to the House that in the opinion of the committee the preamble should not carry, but that is not the suggestion that has been made. The suggestion that has been made is that the bill will go to the committee; that there it will be shorn of its objectionable features, and that this and that protection will be added to it. I submit that cannot be done.

I come now to my hon. friend the Minister of Customs. We appreciate the delicacy of his position.

Mr. CHAPLIN: And that of others.

Mr. STEVENS: Yes. We know perfectly well the Minister of Customs is absolutely opposed to the bill. We knew that before he said so. We know perfectly well that his judgment—and it is a judgment of a very sound character—is wholly against the principle of the bill, and this is the time when he ought to vote against that principle. I will venture to say this to the minister: If he had taken that stand when the government were talking this matter over and had told his colleagues that he as a member of the government would oppose the bill as his conscience and judgment dictated, the government would not be standing behind the bill to-night. They would not dare to do so because, being divided on the question, they could not face this House. To escape the dilemma the Minister of Customs says that he will vote for the second reading, but with the distinct understanding that this bill will go to a committee where it is to be given an underhand death, smothered to death,

strangled in the dark somehow. That is not, I submit, consistent with my hon. friend's usual courage. No, Mr. Speaker, the hon. member and those who think like him ought to vote against this measure on the second reading, when the principle of the bill is under consideration and being decided.

In regard to the bill itself, I have already stated that the reason I object to it is that, on the face of it, it is a piece of sham and deceit. There is not a member of this House, with the exception of my hon. friend who promoted or who is fathering the bill in the House—and to him I will come in a moment—who has asserted that this bill is for the purpose of constructing a canal. Every hon. member who has spoken—and I have followed the debate with care—has emphasized the power feature of this bill. Furthermore, it is known to everyone in the House that this canal would never be built by Sir Clifford Sifton and his associates if they were shorn of the rights to take the power incidental to such development. It is clear, Mr. Speaker, that this is a power bill and not a canal bill.

In the second place, I make the point that if the canal were to be constructed, assuming that they would construct the canal, it is calculated and intended that any cost of that construction shall be borne by moneys raised on the power feature of the bill. What does that mean? It means that whatever power is developed out of that one million and a quarter horse-power on this waterway will have to bear, in addition to the cost of the power, the cost of the canal. In other words, such power cannot and never will be developed and sold to the public at as low a price as would be the case if it were a purely power project. That is a feature which we should take cognizance of, and if we put our imprimatur on the principle of the second reading of the measure we as a parliament are approving, or at least those who vote for it, of that proceeding.

The point was raised by my hon. friend who is fathering the bill in the House that there might be compensation features in case the crown desired to take over the work. I have the clause under my hand. This again is a reason why we should reject the measure. We know the canal is not to be constructed; every hon. member is cognizant of that fact. And if we support the principle of the bill and we invoke clause 5 of the act of 1906—section 43 of the original act what do we let the government and the country in for? That section provides that His Majesty, his heirs and successors, may assume the possession of this property, and by way of compensation shall pay to the company the value of the work actually done by the company up to the time of the giving of such notice, the making of plans, the cost and value of the plants and otherwise upon the ground; together with the value of all tangible property of the company. Everything that the company has, including the charter, its plans, its plants, its expenses to date—all must be paid for. We must compensate them for all these things and the value of the power incidental to it. Already, according to the brief brought to this House by my hon. friend from Ottawa, we find that the company expect to develop very large quantities of electrical energy. Does any hon. gentleman in this House, much less a member of the government, who has had experience in this matter suggest for a moment that there will not be a claim for compensation for the relinquishment of the power? They declare that if they get this charter through they will have absolute control of the water-power on these waterways amounting, we are told to some million and a quarter horse-power —one of the most valuable franchises ever given to a private interest in the history of Canada. That is a pretty broad statement, but I will venture to repeat it; that we are at this moment about to vote on one of the most valuable franchises ever given to any private interest in the history of this country. And what is the country to get in return for it? Absolutely nothing. There is not within the confines of the bill a single provision to give any return to the country for this stupendous franchise.

My hon. friend from Dauphin (Mr. Ward) this evening sought to justify the stand that he has taken, and I desire to point out to him the rather anomalous position in which he finds himself. I want to impress upon him and upon other hon. members the danger of supporting the measure or voting for the second reading. It is all very well to say we can explain it away to those who are not familiar with parliamentary practice, but the fact of the matter is that we are voting for a principle and we are voting for the approval of this bill when we vote on the second reading. My hon. friend said this evening that he would suggest the erection of a federal hydro-electric commission to take over the water-powers on all our rivers and streams in Canada. Then he complained that Manitoba was being exploited to-day by the lease which he said this government had made to some private interests on the Nelson river. Let him follow me for a moment. He complains because the Interior department had given a lease—I never heard of it, by the way—of water-power on the Nelson river in Manitoba, and that the people of Manitoba have been

deprived of their rights. If such a lease has been given I agree with him. But what is he doing to-night? He is voting to deprive the provinces of Quebec and Ontario of a similar right. It is true that the water-powers and natural resources of Manitoba do not constitutionally belong to the people of Manitoba; still he complains because in the administration of the water-powers of Manitoba this government is depriving the people of Manitoba of any say in their development. Yet by his vote to-night, he will attempt to deprive Quebec and Ontario of the very right which he complains they are being deprived of in Manitoba.

Mr. WARD: Will my hon. friend explain to this House—I am seeking for information—just how the water-powers of the Ottawa river are to be developed under the circumstances I pictured in my remarks?

Mr. STEVENS: I cannot recall in detail the circumstances pictured by my hon. friend, but there is no difficulty in the provinces of Ontario and Quebec coming to an understanding regarding the development of water-power on their rivers or on bordering rivers. Furthermore, we have the premiers of both provinces telling this government—not telling the government, but through Mr. Speaker telling the House—that they object to this parliament usurping the powers and rights which they in each province claim for their own. That is before us officially, and can we not trust these two premiers and their governments to make their own arrangements? They are not children; they do not require the federal government to make arrangements for them. It is their right, it is their power, they claim it, and no constitutional argument has been put forward to-night or at any other time to successfully combat their claim. So I submit they will work out that problem themselves.

Mr. WARD: Is it not a fact, and has it not been stated in this House repeatedly, that the water of the Ottawa river belongs to the people of Canada?

Mr. STEVENS: No. The only claim the Dominion government makes to the water of the Ottawa river is for navigation purposes. For instance the right of diversion for waterworks or for electric energy belongs to the provinces. Even the fish in the river belong to the provinces. There is no question about that. The bed of the river also belongs to the provinces. The only right the Dominion has is, as I have said, the right regarding navigation. I say again, Mr. Speaker, it is obvious that this is not a navigation bill. That is the point we make. The government takes the position that this is a navigation bill. They know it is not. My right hon. friend knows perfectly well that Sir Clifford Sifton will never come before this government and seriously ask for authority to construct a canal for navigation purposes short of excess water-power, never in the wide world. The whole House knows that this is not a navigation scheme, a canal scheme. It is a power scheme, the most gigantic ever conceived in Canada up to this time, under the guise of and falsified as a canal scheme.

Now my hon. friend the sponsor of this bill said to the House the other day—and this is where I made the exception a moment ago—that no power was to be sold except the surplus which might be developed over the needs of the canal. Again I want to point to the deception of that statement. I do not mean that in a discourteous or unparliamentary sense. I mean in so far as those behind the bill are concerned, the promoters; it is their deception to which I refer. And this is the deception: they come to parliament asking for a right which was granted in 1894, when the generation of hydro-electric energy was problematical; it was not a demonstrated commercial success for long afterwards. At that time they secured under their charter the right to the surplus power—surplus power which then and for many years afterwards had no value and no significance, and which meant very little to any person in this country except a few perhaps with vision. But to-day electrical energy is of primary and paramount importance to the people of Canada, especially the people of Ontario and Quebec in the territory adjacent to these water-powers. The very industrial life of these two provinces is dependent upon the future development of hydro-electric energy. Therefore I come to what my hon. friend said when in the course of his speech he sought to lead the House into this state of mind: Well, they were only getting a mere bagatelle, just the surplus power. As a matter of fact the power required for the canal would be a mere modicum of the power possible of development. I venture this statement, Mr. Speaker, that the 250 horse-power now being developed at Carillon would be ample to run the canal or even a larger work for all time to come. But we are told they can develop three or four hundred thousand horse-power, and it would be this surplus that they would have to sell to the public. We contend that this is not fair to the people of these two provinces or to the country as a whole.

Now I wish to say a word or two regarding the bill itself. I have all the various bills

under my hand, and I notice that in every one of them the list of directors is set forth; but I call the attention of the government and of the House to this significant fact, that by section 2, of the bill now before the House, to which we are about to give second reading, the section in the 1924 act which sets up the directorate is repealed, and if passed this bill will leave the company without any directorate at all so far as the records show. We have asked who are the directors. I want to ask the government: Do they know who are the directors of this concern? Surely this company is of sufficient importance that the House should be at least advised whom they are incorporating or re-incorporating. Who are to be the directors? Who are the people that are asking for this bill? It is not set out in the bill before us. It is deliberately deleted from the bill.

Furthermore, as my hon. friend from Argenteuil (Sir George Perley) very properly pointed out this evening, all this company has to do is to start development at, say, the two largest water-powers on the waterway, one I understand at Carillon and the other farther up the river this side of Mattawa—I do not know the exact name—where I am told they can develop three or four hundred thousand horse-power; indeed one person told me the potential development is six hundred thousand horse-power. Supposing the promoters take possession of these two spots, commence their work under this charter—if it is given to them. They need not build a single foot of waterway on either side of these powers. All they need do is simply to develop the waterway at those points, take possession of the water-powers and utilize them, and then tell the government: You can have the rest of the canal if you want it. That is the principle of the bill. I say to the Prime Minister that under the rules of the House if this bill goes to the committee it will not be competent for the committee to vary the bill in these respects to any great extent, except with the consent of the promoters. I am quite sure that they will never consent to deletion of the right to develop hydro-electric power.

Mr. MACKENZIE KING: May I ask my hon. friend this question: if it were to appear to the committee that the company were seeking to get powers which were not granted under its original charter, would not that be a sufficient ground for the committee to report against the House accepting the bill?

Mr. STEVENS: Yes; but I want to point out to the Prime Minister that these powers are in the original charter. That is the right they have, as my hon. friend who sponsors the bill very properly pointed out. I cannot put my finger on the clause, but the original charter gives the company the right to take power in addition to that needed for the canal, and this right has been continued down to the present time. They can only sell power in excess of that required for the canal. Of course, that is ordinary common sense; but they are entitled to that power. How are their tolls fixed? By the railway board. That is in the original charter, and that is what we are quarrelling with. When the original charter was secured this power was valueless, it was a mere incident to the canal and was not considered of any importance at all. But during recent years, particularly during the last ten years, and more particularly during the last five years, the demand for power has become such that it is a subject of paramount importance, and the canal sinks into insignificance in relation to the value of the power. And that is the reason, if I may impress this upon the mind of the Prime Minister, why we are so bitterly opposed to the bill. It is not to stop genuine private interests from going to a committee, not at all; it is to prevent private interests securing a right under the guise of promoting something altogether different from what they are attempting to secure.

Mr. CANNON: Under the charter as granted would it be possible for these people to develop power without building the canal?

Mr. STEVENS: Yes, certainly.

Mr. CANNON: Certainly not.

Mr. STEVENS: My hon. friend has just taken his seat. A moment ago I pointed out that the promoters can build a canal at Carillon falls with the necessary dam and locks. They would, incidentally to that work, develop from 200,000 to 400,000 horse-power. They could go up the river this side of Mattawa and there construct a dam, together with the necessary locks, and develop, I am told, from 300,000 to 600,000 horse-power more, and nothing in this bill now before us would oblige them to complete the waterway in between. Let me read what is here proposed:

> The company may commence the construction of its canals, or any of them.

I want the House to bear those few words in mind. This is not a canal; it is a series of canals; it is not a specific work, but a whole chain of works. They may construct its canals or any of them before a certain time:

> And if such construction is not commenced and such expenditure is not so made, or if the said canals are not completed and put in opera-

tion within the said periods respectively, the powers granted to the company by parliament shall cease and be null and void as respects so much of the said canals and works as then remains uncompleted.

The powers shall be null and void—to what extent? As respects that portion of the works and canals that remains uncompleted. The language is as clear as it could possibly be, and the intent of the promoters is equally obvious.

Mr. CANNON: Judging from what my hon. friend has read, is it not a fact that the power developed, either on the whole of the works or on any section thereof, will always be incidental to the completion of the whole canal or of any section of it?

Mr. STEVENS: Certainly. The power at these falls will be incidental, if you like to make it so.

Mr. CANNON: It has to be.

Mr. STEVENS: But what we claim is that these dams ought to be constructed for the purpose of power and not ostensibly for the purposes of the canal. In other words, we say that these promoters are coming before parliament with a deceptive measure. They come before us with unclean hands. They are seeking to deceive parliament, although I am ready to admit that parliament is not deceived. If you give the second reading to this bill you put the stamp of approval on the effort of the company to deceive this House and conceal what their real intent is.

Mr. CANNON: Will the hon. member pardon another interruption? This will be my last question. Am I to understand that my hon. friend would not be against the bill if it were really what it purports to be, and if the House were not deceived by it?

Mr. STEVENS: Yes, I would be against the bill in any case, and I will tell the hon. gentleman why. I may anticipate his next question, which he will not ask, seeing that the one he has just put he said would be his last. His next question would be, "Why have you voted for this measure during the last sixteen or seventeen years?" As a matter of fact I do not know that I always did vote for it, because it has always been a question with me; but I may state the reason why I would oppose it now in any case. I am speaking from memory and am therefore subject to correction, but I think I may safely say that during the past thirteen or fourteen years, two groups of experts, one appointed by the government from its own staff, and the other under Mr. Sanford Evans, have made a most exhaustive examination of this whole canal project, and the last report of Mr. Sanford Evans was submitted about the year 1920 or 1922. I am not sure about the exact date, but in any case the report was brought down a few years ago, and in both instances these experts declared that in their opinion the canal scheme was not feasible. Until that time it was problematical whether it was or not, but that was their report. My own conviction is that, even if it were a straight canal scheme, it is not feasible.

I do not think it is worth my time to go into other reasons for rejecting this measure. I could cite other and very sound reasons, but that is not necessary. The canal feature of the bill is not argued in this House as an excuse for passing it, and I venture to say you would not get half a dozen members here to vote for the measure on the strength of the canal proposal. I have not heard a single member, apart from the hon. gentleman who has fathered the bill, who did not emphasize the power aspect of the project. I would not vote for the bill on either ground. But, to repeat myself, I am opposing it because, under the guise of a proposal to build a canal on this worn out charter, the bill seeks to obtain control of a million and a quarter horse-power, and is therefore the largest, the most significant and the most valuable franchise ever sought by a single corporation in the history of Canada.

Hon. J. D. CHAPLIN (Lincoln): Just for a few moments I want to indicate to the House what is involved in this matter. I want to point out what we are giving away in this bill and contrast that with the development that has taken place on the Niagara river. About the very time that this company came before parliament another company approached the Ontario government with a proposal to develop power at Niagara Falls. The House will be interested to know that the Ontario government gave to that company, an English concern, a contract for the development in perpetuity of all the power at Niagara Falls for the sum of $25,000 per annum. That, I say, was about the time that the present company came on the scene on the Ottawa river to build a canal. At that time the transmission of electrical energy was not known, and this English company, not being able to transmit any power, were forced to abandon the contract. There is now being transmitted in electrical current on the Niagara river at Niagara Falls over 1,000,000 horse-power, an amount equal to the horse-power that may be developed on the Ottawa. Does this House know what the province of Ontario is doing in addition to the development of hydro? That province, apart from

what it is doing for the people of Ontario and of Canada, is paying a rental of $500,000 per annum to the parks commission for the upkeep of the parks of the province. In other words, this power which we are giving away is worth at least the amount which the Ontario government is paying to its parks commission. The power on the Ottawa river as a rental proposition is valued at $1,000,000 per annum. Is this government as a government going to overlook such a condition? Are hon. gentlemen opposite not continuing a pretty good franchise to their friends at $1,000,000 a year? I want to ask this government whether the Sifton family have not had enough out of the country. Is it not time that some of these gentlemen of the west, who know something of this group, realized that this government has no right to give them any more?

Mr. MACKENZIE KING: May I ask my hon. friend why he keeps on repeating the statement that this government is giving away rights?

Mr. CHAPLIN: This government is backing the proposition. We have found that out now.

Mr. MACKENZIE KING: I am glad my hon. friend has made that statement because it is the insinuation which hon. gentlemen opposite have thrown out repeatedly in the course of this debate. I wish to make it absolutely clear that the government is in no way committed to the project, nor has it been so committed at any time directly or indirectly. This is a private bill in which the government has no interest other than to see that it is treated as other private bills are treated, and any remarks to the contrary are entirely false and unwarranted.

Mr. CHAPLIN: In reply to the Prime Minister I would say that all he has to do to prove his words is to take off the whip and let the House decide the matter on division.

Mr. MACKENZIE KING: I again rise to a point of order, I ask whether or not the remark just made by the hon. gentleman, in view of what I have already said, is in order, and whether he should not be called upon to retract it?

Mr. SPEAKER: I do not see the question of privilege or the point of order. The Prime Minister has stated, not only to-day but on Friday as well, that the government has no interest directly or indirectly in the present bill. The hon. gentleman has only to accept the word of the Prime Minister. Now what does he mean by "taking off the whip?" I do not know; the Speaker does not know what the hon. gentleman meant, and until I do know what is meant I cannot rule.

Mr. CHAPLIN: I am quite willing to accept the word of the Prime Minister, but I simply ask him to take off the whip.

Mr. MACKENZIE KING: What does my hon. friend mean by that?

Mr. CHAPLIN: Everyone knows what the whips are doing with respect to this bill.

Mr. MACKENZIE KING: I still ask what my hon. friend means when he says, "take off the whip." I ask him to give a statement which is clear and candid.

Mr. CHAPLIN: I do not know that I can talk more plainly; that is as clear as I can make it. I simply elucidated what I meant when I said the whips were working on the job and getting the members to vote as they were told.

The House divided on the amendment (Mr. Guthrie) which was negatived on the following division:

YEAS

Messrs:

Adshead,
Anderson (Toronto-High Park),
Anderson (Halton),
Arthurs,
Barber,
Bell (St. Antoine),
Bell (St. John-Albert),
Bennett,
Bird,
Black (Yukon),
Bowen,
Brady,
Campbell,
Cantley,
Carmichael,
Chaplin,
Charters,
Clark,
Coote,
Cotnam,
Cowan,
Dickie,
Edwards (Frontenac-Addington),
Edwards (Waterloo South),
Embury,
Ernst,
Esling,
Evans,
Fansher (Last Mountain),
Fansher (Lambton East),
Fraser,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Gott,
Grimmer,
Guthrie,
Harris,
Heaps,
Hocken,
Irvine,
Jelliff,
Johnstone (Cape Breton North-Victoria),
Kaiser,
Kellner,
Kennedy,
Lennox,
Lucas,
MacDonald (Cape Breton South),
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacLaren,
MacNutt,
Macphail (Miss),
McGibbon,
McGregor,
McRae,
Maloney,

Manion,
Matthews,
Perley (Sir George),
Pettit,
Preston,
Price,
Quinn,
Ross (Kingston City),
Rowe,
Ryckman,
Ryerson,
Short,
Simpson,
Sinclair (Wellington North),
Smith (Cumberland),
Smoke,
Spence (Parkdale),
Spencer,
Stewart (Leeds),
Stinson,
Stirling,
Thompson,
Tummon,
White (London),
White (Mount Royal),
Wilson (Wentworth),
Woodsworth,
Young (Toronto Northeast).—87.

NAYS

Messrs:

Allan,
Auger,
Baldwin,
Bancroft,
Beaubien,
Benoit,
Blanchard,
Blatchford,
Boivin,
Bothwell,
Bouchard,
Boucher,
Boulanger,
Bourgeois,
Bradette,
Brown,
Cannon,
Cardin,
Casgrain,
Cayley,
Chevrier,
Delisle,
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Donnelly,
Duff,
Dunning,
Dussault,
Edwards (Ottawa),
Elliott,
Euler,
Fiset (Sir Eugene),
Fontaine,
Forke,
Gershaw,
Gervais,
Girouard,
Glen,
Goodison,
Guérin,
Hall,
Heenan,
Hepburn,
Howden,
Ilsley,
Jenkins,
Johnston (Long Lake),
Kay,
King, Mackenzie (Prince Albert),
Lacombe,
Lacroix,
Laflamme,
Lanctôt,
Langlois,
Lapierre,
Lapointe,
Letellier,
Lovie,
Macdonald, (Glengarry),
MacLean (Prince),
McLean (Melfort),
McDiarmid,
McIntosh,
McKenzie,
McMillan,
McPhee,
McPherson,
Millar,
Milne,
Morin (St. Hyacinthe-Rouville),
Morrissy,
Motherwell,
Neill,
Perras,
Pouliot,
Prévost,
Ralston,
Raymond,
Rhéaume,
Rinfret,
Robb,
Roberge,
Robitaille,
Ross (Moose Jaw),
Rutherford,
St-Père,
Séguin,
Sinclair (Queens),
Smith (Stormont),
Spence (Maple Creek),
Steedsman,
Stewart (Edmonton West),
Taylor,
Telford,
Thorson,
Tobin,
Totzke,
Vallance,
Verville,
Ward,
Wilson (Vaudreuil-Soulanges),
Young (Saskatoon),
Young (Weyburn).—105.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Mercier (St. Henri),	Bell (Hamilton),
Parent,	Boys,
Mercier (Outremont),	Geary,
Dubuc,	Church,
Veniot,	Hanson,
Jacobs,	Cahan,
Morin (Bagot),	Peck,
Odette,	Robinson,
Hay,	Hubbs,
Bowman,	Hodgins,
Sanderson,	Senn,
Sylvestre,	Jones,
Dionne,	Tolmie,
King (Kootenay),	Black (Halifax),
Fafard,	McQuarrie,
Lang,	Maybee,
Power,	Rennie,
Cahill,	Speakman,
Lavigueur,	Ladner,
Bettez,	Luchkovich,
Malcolm,	Stevens,
Howard,	Casselman.

Mr. BLACK (Halifax): I was paired with the hon. member for Kootenay (Mr. King). Had I voted, I would have voted for the amendment.

Mr. ROBINSON: I was paired with the hon. member for East Essex (Mr. Odette). Had I voted, I would have voted for the amendment.

Mr. PECK: I was paired with the hon. member for Bagot (Mr. Morin). Had I voted I would have voted for the amendment.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted, I would have voted for the amendment.

Mr. STEVENS: I was paired with the Minister of Trade and Commerce (Mr. Malcolm). Had I voted, I would have voted for the amendment.

Mr. CAHAN: I was paired with the hon. member for Cartier (Mr. Jacobs). Had I voted, I would have voted for the amendment.

Mr. RENNIE: I was paired with the hon. member for Quebec South (Mr. Power). Had I voted, I would have voted for the amendment.

Mr. SANDERSON: I was paired with the hon. member for Haldimand (Mr. Senn). Had I voted, I would have voted against the amendment.

Mr. VENIOT: I was paired with the hon. member for York-Sunbury (Mr. Hanson). Had I voted, I would have voted against the amendment.

Mr. FAFARD (Translation): I was paired with the hon. member for New Westminster (Mr. McQuarrie). Had I voted, I would have voted against the amednment.

Mr. BOWMAN: I was paired with the hon. member for Middlesex East (Mr. Hodgins). Had I voted, I would have voted against the amendment.

Mr. MERCIER (Outremont): I was paired with the hon. member for South Toronto (Mr. Geary). Had I voted, I would have voted against the amendment.

Sir GEORGE PERLEY: I have a regular pair with the hon. member for Bonaventure (Mr. Marcil), but in talking to him this morning he was good enough to say that as this was a private bill the pair would not apply.

Mr. TOBIN: I was paired, Mr. Speaker, but as this was a private bill I considered that the pair did not apply; therefore I voted.

The House divided on the main motion (Mr. Chevrier), which was agreed to on the following division:

YEAS

Messrs.

Allan,
Auger,
Baldwin,
Bancroft,
Beaubien,
Benoit,
Blanchard,
Blatchford,
Boivin,
Bothwell,
Bouchard,
Boucher,
Boulanger,
Bourgeois,
Bradette,
Brown,
Cannon,
Cardin,
Casgrain,
Cayley,
Chevrier,
Delisle,
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Donnelly,
Duff,
Dunning,
Elliott,
Euler,
Fiset (Sir Eugene),
Fontaine,
Forke,
Gershaw,
Gervais,
Girouard,
Glen,
Goodison,
Guérin,
Hall,
Heenan,
Hepburn,
Howden,
Ilsley,
Jenkins,
Johnston (Long Lake),
Kay,
King, Mackenzie (Prince Albert),
Lacombe,
Lacroix,
Laflamme,
Lanctôt,
Langlois
Lapierre,
Lapointe,
Letellier,
Lovie,
Macdonald (Glengarry),
MacLean (Prince),
McLean (Melfort),
McDiarmid,
McIntosh,
McKenzie,
McMillan,
McPhee,
McPherson,
Millar,
Milne,
Morin (St. Hyacinthe-Rouville),
Morrissy,
Motherwell,
Neill,
Perras,
Pouliot,
Prévost,
Ralston,
Raymond,
Rhéaume,
Rinfret,
Robb,
Roberge,
Robitaille,
Ross (Moose Jaw),
Rutherford,
St-Père,
Séguin,
Sinclair (Queens),
Smith (Stormont),
Spence (Maple Creek),
Steedsman,
Stewart (Edmonton West),
Taylor,
Telford,
Thorson,
Tobin,
Totzke,
Vallance,
Verville,
Ward,
Wilson (Vaudreuil-Soulanges),
Young (Saskatoon),
Young (Weyburn).—103.

NAYS

Messrs.

Adshead,
Anderson (Toronto-High Park),
Anderson (Halton),
Arthurs,
Barber,
Bell (St. Antoine),
Bell (St. John-Albert),
Bennett,
Bird,
Bissett,
Black (Yukon),
Bowen,
Brady,
Campbell,
Cantley,
Carmichael,
Chaplin,
Charters,
Clark,
Coote,
Cowan,
Dickie,
Edwards (Frontenac-Addington),
Edwards (Ottawa),
Edwards (Waterloo South),
Embury,
Ernst,
Esling,
Evans,
Fansher (Last Mountain),
Fansher (Lambton East),
Fraser,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Gott,
Grimmer,
Guthrie,
Harris,
Heaps,
Hocken,
Irvine,
Jelliff,
Johnstone (Cape Breton North-Victoria),
Kaiser,
Kellner,
Kennedy,
Lennox,
Lucas,
MacDonald (Cape Breton South),
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacLaren,
MacNutt,
Macphail (Miss),
McGibbon,
McGregor,
McRae,
Maloney,
Manion,
Matthews,
Perley (Sir George),
Pettit,
Preston,
Price,
Quinn,
Ross (Kingston City),
Rowe,
Ryckman,
Ryerson,
Short,
Simpson,
Sinclair (Wellington North),
Smith (Cumberland),
Smoke,
Spence (Parkdale),
Spencer,
Stewart (Leeds),
Stinson,
Stirling,
Thompson,
Tummon,
White (London),
White (Mount Royal),
Wilson (Wentworth),
Woodsworth,
Young (Toronto Northeast).—88.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs.	
Mercier (St. Henri),	Bell (Hamilton),
Parent,	Boys,
Mercier (Outremont),	Geary,
Dubuc,	Church,
Veniot,	Hanson,
Jacobs,	Cahan,
Morin (Bagot),	Peck,
Odette,	Robinson,
Hay,	Hubbs,
Bowman,	Hodgins,
Sanderson,	Senn,
Sylvestre,	Jones,
Dionne,	Tolmie,
King (Kootenay),	Black (Halifax),
Fafard,	McQuarrie,
Lang,	Maybee,
Power,	Rennie,
Cahill,	Speakman,
Lavigueur,	Ladner,
Bettez,	Luchkovich,
Malcolm,	Stevens,
Howard,	Casselman,
Dussault,	Cotman.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted, I would have voted against the motion.

Mr. ROBINSON: I was paired with the hon. member for East Essex (Mr. Odette). Had I voted, I would have voted against the motion.

Mr. DUSSAULT: I was paired with the hon. member for North Renfrew (Mr. Cotnam). Had I voted I would have voted for the motion.

Mr. SANDERSON: I was paired with the hon. member for Haldimand (Mr. Senn). Had I voted, I would have voted for the motion.

Mr. BOWMAN: I was paired with the hon. member for East Middlesex (Mr. Hodgins). Had I voted, I would have voted for the motion.

Motion agreed to and bill read the second time.

Mr. CHEVRIER moved that the bill be referred to the select standing committee on railways, canals and telegraph lines.

Motion agreed to on division.

On motion of Mr. MACKENZIE KING the House adjourned at 11.35 p.m.

32649—104½

Tuesday, March 29, 1927

The House met at three o'clock.

BUSINESS OF THE HOUSE

WEDNESDAY SITTINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That on Wednesday, April 6, prox., and subsequent Wednesdays to the end of the session, the sittings of the House shall in every respect be under the same rules provided for other days.

He said: The government will take Wednesday nights after to-morrow.

Mr. SPENCER: After to-morrow?

Mr. SPEAKER: After to-morrow. Is it the pleasure of the House to adopt the motion?

Mr. COOTE: On division.

Motion agreed to on division.

Mr. MACKENZIE KING: I might take this opportunity, Mr. Speaker, to refer to what appears to be an error in the Votes and Proceedings of March 24. I think it was understood by the House that beginning to-morrow, we would take Wednesday for government business. I notice, however, in the Votes and Proceedings the date is given as Wednesday, April 6. I therefore move:

That on and after Wednesday, March 30 instant, and every Wednesday thereafter to the end of the session government notices of motions and government orders shall have precedence over all business except questions by members and notices of motions for the production of papers.

Motion agreed to.

MONDAY SITTINGS

Mr. MACKENZIE KING: I should like to say that to-morrow I may move that the House take Monday as a government day also. I am giving notice now in order that hon. members may have an opportunity to think it over in the meantime.

Mr. MANION: Carried.

PRIVILEGES AND ELECTIONS COMMITTEE

MOTION TO REDUCE QUORUM

Mr. D. F. KELLNER (Athabaska): Mr. Speaker, I desire to move, seconded by the hon. member for Peace River (Mr. Kennedy):

That the quorum of the committee on privileges and elections be reduced to nine.

Notice of this motion was given by the hon. member for Joliette (Mr. Denis).

Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, do I understand that this is a recommendation by the committee?

Mr. KELLNER: No, Mr. Speaker, this is a motion that was submitted by the chairman of the committee, the hon. member for Joliette, about two weeks ago. At that time some objection was taken to it and the motion was allowed to stand. Now we are making the motion again.

Mr. LAPOINTE: Mr. Speaker, I do not know whether it is in order to reduce the quorum of a committee without any report from that committee asking for the change.

Mr. D. M. KENNEDY (Peace River): Mr. Speaker, I might explain to the Minister of Justice that this motion is being made because we have not yet been able in four attempts to get a quorum of the committee together.

Mr. LAPOINTE: Yes, but who is making the recommendation?

Mr. CHAPLIN: The chairman.

Mr. LAPOINTE: The chairman has no power to recommend anything.

Mr. J. J. DENIS (Joliette): Mr. Speaker, may I be allowed to put the facts before the House? The committee on privileges and elections, of which I have the honour to be the chairman, has been called together on four different occasions, but we were unable to proceed for lack of a quorum. Without a quorum the committee could not sit and consequently could not report to the House. At the instance of some members of the committee I moved in the House to have the quorum reduced to eight or nine members, and objection was taken by the leader of the opposition (Mr. Guthrie) on the ground that as this was a very important committee the quorum should not be reduced. I must admit that I had not up to that time given much thought to the matter, but it struck me that probably it might be just as well not to reduce the quorum. Moreover, as I had no authority from the committee itself—because, as I have just stated, the committee did not sit regularly,—I decided to let the matter stand until such time as other members might move to have the reduction made. Now the question is before the House, and as I have stated the facts it is for the House to decide.

Mr. H. E. SPENCER (Battle River): In supporting the motion I would point out that the quorum of this committee is much larger in proportion to its membership than that of any other committee of the House. With so many committees meeting at the same time it is often quite difficult to secure a quorum in a committee of this sort. There are some very important matters to come before the committee and I think it would be in the best interests of the House if the quorum were reduced.

Hon. HUGH GUTHRIE (Leader of the Opposition): I remember when the question was raised in the House on a former occasion by way of a motion moved by the chairman of the committee. I had had no notice of that motion and therefore had not had time to consider it, and I did ask that it be allowed to stand over until the following day. The motion, however, was not brought up again, and nothing has been done until to-day. I conclude, therefore, that there is no objection to the motion and that under the circumstances it would be well to reduce the quorum of the committee to nine as requested. There are one or two important measures before that committee. It is, I think, the desire of all hon. members to conclude the business of the session as expeditiously as possible, and it is just likely that our proceedings may be delayed if we are not able in the meantime to get the business of that committee done. I think the quorum should be reduced to allow the committee to function.

Mr. C. H. CAHAN (St. Lawrence-St. George): I suggest that the chairman of the committee ascertain the hours at which other committees are sitting and if possible fix, for the assembling of the committee on privileges and elections, an hour which does not coincide with the time of meeting of other committees. I am a member of the committee in question and I think that in every case I have received a notice, another committee has been sitting at the same time in which I happened to be very much interested. It seems to me that a quorum could be obtained if the chairman summoned the committee to meet at ten o'clock in the morning, or at eleven o'clock on days when other committees are not meeting at that hour.

Mr. DENIS (Joliette): In view of the opinions expressed by hon. members I would not be opposed to allowing the motion to stand.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I can see no objection to the motion carrying. It would help to expedite the business of the House in which we are all interested.

Mr. SPEAKER: The House can, of course, always suspend the rules. Generally the House acts on the initiative of the committee, on whose report it proceeds. In the present instance, however, I think that, inasmuch as there would be real injury if the committee did not meet at all, it would be advisable to adopt the motion. The House must take its stand on the question, and it was because of the desirability of having the business of the committee proceeded with that I was ready to accept the motion as being in order. The committee must meet and if it cannot do so a remedy must be provided. However, the motion stands.

Some hon. MEMBERS: No.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion?

Some hon. MEMBERS: Carried.

Motion agreed to.

COMMITTEE ON RAILWAYS AND SHIPPING

W. T. GOODISON (West Lambton) presented the second report of the select standing committee on railways and shipping, owned, operated and controlled by the government.

Mr. GOODISON moved:

That the second report of the select standing committee on railways and shipping be concurred in.

Motion agreed to.

PRIVATE BILLS

FIRST READINGS

Bill No. 240 (from the Senate), for the relief of Jessie Wright.—Mr. Garland (Carleton).

Bill No. 241 (from the Senate), for the relief of Audrey Idelle Knowles.—Mr. Young (Toronto Northeast).

Bill No. 242 (from the Senate), for the relief of William Edward Couch.—Mr. Harris.

Bill No. 243 (from the Senate), for the relief of Clara Cairney.—Mr. Bowman.

Bill No. 244 (from the Senate), for the relief of Annie Sophia Gordonsmith.—Mr. Garland (Carleton).

Bill No. 245 (from the Senate), for the relief of May Elizabeth Chambers.—Mr. Garland (Carleton).

Bill No. 246 (from the Senate), for the relief of Violet Gladys Cockerton.—Mr Anderson (Toronto-High Park).

Bill No. 247 (from the Senate), for the relief of Mary Eleanor Kennedy Ledden.—Mr. Jacobs.

Bill No. 248 (from the Senate), for the relief of Arlee Lillian Helmsley.—Mr. Anderson (Toronto-High Park).

Bill No. 249 (from the Senate), for the relief of Merton Egbert Ellsworth Kittredge.—Mr. Garland (Carleton).

Bill No. 250 (from the Senate), for the relief of William Newton Anglin.—Mr. Young (Toronto Northeast).

Bill No. 251 (from the Senate), for the relief of Annandale Ramsden.—Mr. Goodison.

Bill No. 252 (from the Senate), for the relief of Willie Rosenberg.—Mr. Bell (St. Antoine).

Bill No. 253, respecting certain patents owned by the Sealright Company, Inc.—Mr. Young (Toronto Northeast).

REGULATION OF SALE OF POISONS

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to regulate the sale and inspection of poisons represented as a means for preventing, destroying, repelling or mitigating fungi, weeds, insects, rodents, or other plant or animal pest, collectively or individually affecting agriculture, and to provide for registration, the payment of fees thereon, and penalties for infraction of the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

CIVIL SERVICE SALARIES

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): May I ask the Prime Minister whether a decision has yet been reached with respect to the civil service salary revision?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think I can promise my hon. friend that the government will make a statement on the matter early next week.

UNITED STATES EMBARGO ON MILK AND CREAM

On the Orders of the Day:

Mr. C. B. HOWARD (Sherbrooke): Mr. Speaker, I wish to bring to the attention of the House a matter of vital importance to our section of the country and to those border counties in the province of Quebec which ship milk and cream to the United States.

A headline in a local newspaper says: "Milk and cream embargo hits eastern townships farmers." I desire to ask the Minister of Agriculture a question, but before doing so I would like to be permitted to explain that the market for the cream produced in the district surrounding Sherbrooke and to the south of that city is in Boston and the New England states; cream from this section has not been shipped to the city of Montreal. Therefore I think the government should immediately take this question up with Washington through our new minister and see to it that the embargo is lifted at once. This is the season of the year when the milk supply is increasing, and the matter is of vital importance. I ask the Minister of Agriculture if anything is being done in this connection.

Hon. W. R. MOTHERWELL (Minister of Agriculture): I would say to my hon. friend that about noon yesterday we received official information through the Department of External Affairs, and they in turn through Hon. Mr. Massey at Washington, that this embargo had been placed on Canadian milk and cream due to an outbreak of typhoid in Montreal, thought to be caused by an infected milk supply. Immediately the officers of my department got in touch with the Department of Health and with the medical health officer of the city of Montreal, to see exactly what was the situation and what could be done in order to expedite the discovery of the source of contagion. We had a telephone message from the medical health officer of Montreal this morning, but the only information we were able to elicit was that the contagion was pretty general and that the source had not yet been discovered, either in the city through the medium of any dairy or in the country at the source of supply. Mr. Stephens of the National Dairy Council was in communication with the Secretary of Agriculture, Mr. Jardine, at Washington, in the hope of raising the embargo as it would affect those localities which have not shipped any cream or milk to Montreal for the past six months. Until twelve o'clock to-day, however, no word had been received with respect to that matter, and that is where the matter stands at present. Everything is being done to locate the source of contagion, but until the source is located and the contagion removed I am afraid the general embargo cannot be lifted, although it may be taken off as against those localities which are not now and have not for the past six months shipped milk to Montreal.

[Mr. Howard.]

CANADIAN MINISTER AT WASHINGTON

CORRESPONDENCE RESPECTING APPOINTMENT

On the Orders of the Day:

Mr. C. H. CAHAN (St. Lawrence-St. George): Yesterday I asked the leader of the House, in the absence of the Prime Minister, as to whether or not a return might be made which was called for by a resolution of the House passed over a month ago, including the letters of credence issued to Hon. Mr. Massey, as minister plenipotentiary to Washington, the order in council passed by the Canadian Privy Council with respect to his appointment, any correspondence between the Canadian government and the British government with respect to the execution of those letters of credence by His Majesty the King, and a copy of any orders in council passed by the Privy Council of Great Britain with regard to that appointment. Some time has elapsed since that order was passed, and I was hoping that those documents might be laid on the table of the House before the discussion to-day commenced.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am sorry I was not present yesterday when my hon. friend raised the question, because I would then have directed his attention to the fact that the return was made a fortnight ago. I am afraid my hon. friend has overlooked that fact, but if he looks at the votes and proceedings of March 16, at page 292, he will find that the Secretary of State tabled a return of the papers asked for.

I might say that my hon. friend's motion asked for a number of documents which do not exist. It sought instructions from His Majesty the King to the present minister at Washington; there were no such instructions and therefore none could be brought down. The letter of credence from His Majesty the King to the President of the United States was tabled, and I will send to my hon. friend a copy which I have under my hand at the moment. Then my hon. friend asked for a copy of an order in council by the King in Council with reference to this matter; I notice that in some of his writings he has made the statement that an order was passed by the King in Council, or must have been passed, and my hon. friend has been looking for it ever since. As a matter of fact there was no order passed by His Majesty the King in Council in Great Britain; the only order in council recommending the appointment of Mr. Massey to Washington was the order in council of this government, which has been placed on the table. Then my hon. friend asked for any general instructions on behalf

of the government to the Canadian minister. There are no general instructions; the minister is instructed specifically from time to time with reference to questions as they come up. There have of course been verbal instructions but no general instructions have been given in the form of a written document.

I will send to my hon. friend the three documents which it is possible to table in answer to his motion, and which were tabled some time ago.

Mr. CAHAN: I am sorry I overlooked it. Usually one receives a notice from the department concerned when papers are laid on the table of the House; I suppose I must have overlooked that notice, because I certainly am not accusing the department of negligence in the matter. In order to make it quite clear, however, I would ask how the order in council passed by this government was communicated to His Majesty in order to secure from him the issuance of the letters of credence, if there was no correspondence in the matter?

Mr. MACKENZIE KING: The Secretary of State for Dominion Affairs, acting upon the request of our government in the matter, would communicate the order in council through the proper channel in Great Britain.

Mr. CAHAN : How would it be communicated by this government to the Secretary of State for Dominion Affairs?

Mr. MACKENZIE KING: By cabled despatch.

Mr. CAHAN: By cabled despatch?

Mr. MACKENZIE KING: I think so.

Mr. CAHAN: Will the correspondence be laid on the table whether it is by cable or by letter?

Mr. MACKENZIE KING: I shall be glad to lay any further correspondence on the table, but I do not think the particular correspondence for which my hon. friend is now asking was covered in his original motion.

Mr. CAHAN: I think so.

Mr. MACKENZIE KING: I may say to my hon. friend that I was in England at the time, and my recollection is that I had a word with Sir Austen Chamberlain in regard to the matter, and as to the method of having His Majesty approached. I may also say to my hon. friend that I had a personal interview with His Majesty. It was understood with the British government that the order in council of our government would be the one on which His Majesty would act in making the appointment.

TYPHOID OUTBREAK IN MONTREAL

On the Orders of the Day.

Mr. T. E. KAISER (Ontario): I wish to ask the Minister of Health whether his department is taking any part in the endeavour to cope with the outbreak of typhoid fever in the city of Montreal? May I be permitted to supplement the question with one or two statements?

Some hon. MEMBERS: No.

Mr. KAISER: I wish merely to fortify my attitude in asking the question. The matter of public health, I am informed by the best judicial authorities in Canada should be in the hands of the Dominion government. According to the British North America Act we have not assigned to the provinces—

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order. The question should be put without supplementing it by a speech. The hon. member should confine himself strictly to putting a question, otherwise he must give notice of what he intends to ask which, perhaps, would be the better procedure.

Mr. KAISER: My reason for asking the question is this: It should be realized what this outbreak of typhoid means for Canada. Out of 1,225 cases of typhoid fever—

Mr. SPEAKER: Order.

Mr. KAISER: —thirty have become carriers of disease and that disease is likely to be spread all over the Dominion. Therefore it is an important matter, and I should like to know what the Department of Health is doing to cope with the outbreak.

Mr. SPEAKER: Order.

Hon. J. H. KING (Minister of Health): In reply to my hon. friend I wish to say that knowing the limitations of the Canadian Health department, I have merely asked the deputy or officers of the department to get in contact with the provincial and municipal authorities in order that we might be advised as to the conditions existing in Montreal.

Mr. POULIOT (Translation): Mr. Speaker, as the Ottawa water is contaminated in the spring, would you be so obliging as to issue instructions in order that drinkable water be supplied to the House of Commons.

Some hon. MEMBERS: Order.

Mr. SPEAKER: The hon. gentleman is asking if proper measures have been taken for safeguarding the water supply in the parlia-

ment buildings. I may inform him that this morning the usual supply of water from the Ottawa river was replaced by Tally-ho water.

INQUIRY FOR RETURN

On the Orders of the Day.

Hon. J. A. MACDONALD (Kings): I wish to call the attention of the Minister of Public Works to a motion passed on 23rd February asking for the production of certain papers, and to say that the documents have not yet been tabled.

Hon. J. C. ELLIOTT (Minister of Public Works): I may say to my hon. friend that I was not aware that the return had not been brought down. I shall be very glad to look into the matter.

THE CHINESE SITUATION

On the Orders of the Day.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Yesterday I asked a question but the Prime Minister was not in his place and it was therefore deferred until to-day. I am not quite sure whether the Canadian government has jurisdiction over Canadian citizens resident in China, but I would ask whether the government has considered urging upon those Canadian citizens the advisability of withdrawing from China until after the civil war is over?

Mr. MACKENZIE KING: In view of the civil war existing in China at the present time intimation has been given to foreign residents in that country to move from interior points. It has not, however, been thought necessary to advise their leaving China altogether, and the government of Canada has not given any special directions advising that Canadian residents should leave China.

Mr. WOODSWORTH: Supplementing my question, may I ask whether, on account of the great danger to life in Shanghai, it is intended to leave Canadian citizens behind barricades in China?

Mr. MACKENZIE KING: My hon. friend must make some allowance for the intelligence of the citizens of Canada who are in China. They surely are in the best position to judge as to what may be necessary and advisable.

IMPERIAL CONFERENCE

DEBATE ON STATEMENT OF PRIME MINISTER AND AMENDMENT OF MR. GUTHRIE

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee of supply.

[Mr. Speaker.]

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, by agreement between the different parties in the House it was arranged that this afternoon a statement should be made with regard to the proceedings of the recent Imperial conference, and that following the statement hon. members should be free to discuss the conference proceedings before Your Honour leaves the chair. Subsequently in committee on the estimates of the Department of External Affairs any matters of detail on which hon. members may wish to have further information can be elaborated.

It may perhaps answer in advance questions that will arise in the minds of some hon. gentlemen opposite, and help to remove doubts as to the position of the present administration in the matter of its representation at the recent conference, if I mention to the House that the first intimation the former Liberal government had of the intention to hold an Imperial conference in 1926 was last year in the month of January. At that time a communication was received from the British government asking if it was probable that Canada would be able to be represented at a conference in the month of June, or later in the year. A reply was sent to that communication indicating that political conditions were more or less uncertain in Canada, and that it was doubtful whether anyone would be in a position to leave to attend an Imperial conference in June. It was suggested that the conference might better be postponed for another year, but if not for a year at least till the fall. As hon. members know, when June came political conditions were very unsettled. During the concluding months of last year's session members of the administration had very little time to give to the problems that were to come up at the conference. Indeed the intention was, had the government remained in office, to take advantage of the period of recess that would follow the session carefully to prepare with respect to the various subjects on the agenda. However, the Liberal administration resigned at the end of June, and the Conservative administration then took office. That administration continued in office until on in September; I doubt if during that period the hon. members of that administration had any time to give to Imperial conference matters. When we resumed office the date set for the conference was upon us. I mention this simply to bring out the circumstance that when my hon. colleague the Minister of Justice (Mr. Lapointe) and I left to attend the Imperial conference in September we had had no opportunity whatever of study-

ing the agenda, and were really scarcely aware of the subjects that were to come up for discussion. There is one point, however, that I would like to make quite clear, and it is this, the moment the government came into office it decided that Canada would be represented at the conference, regardless of how inconvenient that might be to those members of the administration who might represent the Dominion. Upon resuming office in September the first communication I addressed was to the Prime Minister of Great Britain to say that the Minister of Justice and myself would represent Canada at the Imperial conference and that we hoped to be able to be present on the opening day of its proceedings.

The conference opened on October 19 and continued its sittings until November 23. During that time there were twenty-three plenary sessions of the conference. May I make clear at the outset that the conference in character was what by name it is described as having been; namely a conference. It was a conference of the prime ministers together with other ministers of the dominions and of the British government discussing matters of mutual interest and common concern, but in no sense was it a cabinet council. At a preceding conference great care was taken by my colleagues and myself to make it clear that we had no authority from the parliament of Canada to become members of an Imperial council seeking to lay down policies with regard to imperial affairs; that we were there as representatives of the Dominion of Canada to confer with representatives of other governments of the empire, to reach such conclusions as it might be possible to reach and then to report them to our respective parliaments, but that we had no authority whatever to bind in any particular in advance the parliament of our country. That position was restated at the opening of the recent conference, and I therefore hope that from the outset it will be clear to hon. members that in no particular has this parliament or this country been bound by any conclusions that were reached by members of the conference that met last fall.

An effort was made with respect to the different questions on the agenda to reach a common agreement, and common agreement was arrived at with respect to practically all the matters which appeared on the agenda. That common agreement finds expression in the report of the conference, and in the course of my remarks this afternoon I shall assume that hon. members not only have received copies of this report but that if they are at all interested in the proceedings of the conference they will have perused the report. There has been laid on the table not only a printed copy of the proceedings of the conference but a supplementary volume in the nature of appendices and a larger summary of the proceedings. These two documents give the main outline of the proceedings of the conference.

Perhaps I should mention to the House the method and order of procedure adopted in conference. The representatives of the several dominions and of the British government met around the council table at No. 10 Downing street. The proceedings opened by a short address delivered by the Prime Minister of Great Britain. Mr. Baldwin reviewed the proceedings of preceding conferences and also gave an outline of recent developments on matters of inter-imperial interest. The address of the Prime Minister of Great Britain was followed by addresses by the prime ministers of the other dominions. They will be found in full in the printed report of the appendices to which I have just referred.

Following the introductory addresses the question of trade within the empire was next dealt with at a plenary conference. Addresses were delivered by the President of the Board of Trade and by the Secretary of State for Dominion Affairs outlining the point of view of the British government with respect to inter-imperial trade and questions relating thereto. This general review was followed by similar reviews by representatives of the different dominions.

The next subject to be considered was that of foreign affairs; perhaps I should not say foreign affairs—I should make the statement broader and say inter-imperial as well as foreign relations. The Secretary of State for Foreign Affairs delivered an address outlining at considerable length Britain's foreign relations in all of the countries of the world, basing his statements upon the latest information gathered from the various embassies and legations of Great Britain in different parts of the globe, and also upon the accumulation of data which has its existence in the Foreign Office. That statement was necessarily highly confidential and it could not be given to the public generally. It was followed by statements on the part of the prime ministers of the different dominions with respect to those external relations of their countries which they felt might be of special interest to those assembled.

It was thought that the constitutional questions were so far-reaching and also appeared in such numbers on the agenda that it would

not be advisable to have those questions discussed at a full conference, but that better progress could be made if the constitutional issues were referred to a committee of the conference where there would be greater freedom of discussion than at a large meeting at which shorthand notes were taken of all the proceedings. Accordingly a committee, of which the Right Hon. the Earl of Balfour was chairman, was appointed to deal with the question of constitutional relations as they affected both relations within the empire and the relations of the dominions and Great Britain with foreign countries. When that committee met it was found advisable to appoint from its number a sub-committee to deal with one special phase, namely that which relates to the negotiation, signing and ratification of treaties and matters pertaining to conferences at which different parts of the empire may be represented. My colleague the Minister of Justice was named chairman of that committee. I shall come back a little later on to the conclusions of these various committees. I am at the moment merely seeking to give a review which will indicate the scope of the work of the conference as a whole.

Next in interest to foreign affairs and inter-imperial relations as a subject of general discussion at the conference was the question of defence. This was dealt with in the first instance by the Prime Minister of Great Britain, then by the senior officer of the chiefs of staff sub-committee, Admiral of the Fleet, Earl Beatty, in a survey of the general strategic situation. Meetings also took place at the Admiralty, the War Office, and the Air Ministry, in which the situation from the standpoint of His Majesty's government in Great Britain was presented in greater detail. These meetings and addresses of the Minister for War, First Lord of the Admiralty and the Minister for Air were followed by addresses on the part of representatives of the Dominions with respect to the services—army, navy, and air—of the respective dominions. Matters which were thought to be of special interest to the conference as a whole were brought to its attention in that manner.

In addition to the general review which took place at the full conference, and the detailed discussions at the admirality, at the War Office, and at the Air Ministry, at which experts gave an account in a more detailed way of some of the problems of defence that from the British point of view were considered by the British government as important enough to bring before the conference as a whole, there were demonstrations of the various arms of the service in operation at different centres illustrative of the developments of modern warfare—a naval review off Portland, an army mechanical display at Camberley, and air demonstrations at Croydon and Cardington.

In addition to these main subjects of interest, trade, foreign affairs, inter-imperial relations, and defence, a number of economic questions were brought up for consideration. Hon. members may recall that in 1923 there were two conferences which carried on their proceedings simultaneously; there was the Imperial conference so-called, and the Imperial economic conference. At the Economic conference, questions relating to economic matters were discussed. On this occasion there was but one conference, with the result that so far as economic questions were concerned, they for the most part came to be dealt with by permanent officials of the different governments accompanying the delegations or resident in London. They took up questions that in part had been, prior to the meeting of the conference, the subject of communication between the different governments. Economic matters that were thought to be of sufficient importance to bring before the conference as a whole were brought before it in its concluding days. After the various committees had met, there was placed before the body as a whole the various conclusions to which the different committees had come.

I should like to bring out this fact, if I may, that throughout the conference, with respect to the different matters placed before the conference, its members seemed to desire not to discover points of difference, but rather to arrive at as many points of agreement as might be possible. May I say with reference to the British ministers whom we met, that I failed to discover from the beginning to the close of the conference the slightest evidence of any desire to treat the matters before the conference from a party point of view. Nothing could have been fairer, nothing could have been more patriotic in the true sense of the word, than the manner in which, from beginning to close, the British government dealt with the representatives of the other governments present at the conference. I stress that at the moment because I hope that in our own parliament these matters of inter-imperial interests and concern may be viewed from a higher level than that of questions of party politics giving rise to party controversy. I shall sincerely endeavour in presenting this subject this afternoon to present it from what I may say expresses the Canadian point of view rather than from the point of view of the representative of a political party in this House.

Coming to the proceedings of the conference, I will take up first those which are to us, of less immediate concern and reserve for the concluding part of my remarks the subjects in which I think the House is more especially interested, at least at the present time.

The economic questions might, I think, be omitted from discussion at the present moment, more particularly as all that I would be in a position to say about them will be found fully covered in the report which the House has before it.

I will just enumerate the subjects that are dealt with in the report: overseas settlement, workmen's compensation, research, forestry, exhibition within the empire of empire films, industrial standardization, Imperial shipping committee and Imperial economic committee, maritime conventions, oil pollution of navigable waters, statistical questions, and taxation questions. So far as these various questions are concerned, I do not think there is anything of a controversial character in the report. The effort of those who were assembled at the conference was with respect to many of these matters to find more effective means of gathering statistical data and of coördinating efforts between different parts of the empire.

Perhaps I might say one word on the subject of overseas settlement, as being of more interest to the House than any of the other topics. One thing that was apparent in the discussion of migration was that in all parts of the world the unsettled conditions had very materially changed the situation in the matter of emigrants. In presenting the Canadian point of view of overseas settlement, attention was drawn to the fact that immigration to Canada through government assistance is not as easy a matter as it was some years ago. There are not available at the present time lands which can be given away as homesteads, and in addition, the cost of transportation by ocean has increased very materially. The social laws of England, providing funds for the unemployed, have made it from the point of view of some persons less desirable to emigrate than formerly. With respect to assistance, I think it is true that the present administration has gone further than any previous administration in assisting migration from Great Britain to this country. Under the British Empire three-thousand family settlement scheme, this government has entered into a generous arrangement with the British government in regard to bringing settlers here. One step that was taken during the conference was to provide for the inspection of immigrants by medical services established in Great Britain, so that emigrants could leave the shores of Great Britain with the certainty of being admitted here, at least, so far as the test of physical fitness is concerned, and not have to run the risk which has been a deterrent in many cases in the past of being obliged to return after having crossed the ocean. The government's policy has been to assist agricultural labourers, domestic servants and juvenile immigrants, but to confine its assistance in the matter of assisted passages to those classes. The report upon the work being done in Canada made by the British officials who visited this country last year was one of a highly commendatory character.

On the subject of communication, there were taken up methods of improving the steamship services as between different parts of the empire. The question of the Pacific cable came up incidentally, and an agreement was reached between the different governments as to the basis upon which future reserve funds should be expended. Other points that have been in dispute between different parts of the empire were satisfactorily settled and an agreement was arrived at under which a bill was to be introduced in the British parliament. This has since been done.

On imperial air communications, I should perhaps mention that the discussion helped to make apparent that we are on the eve of a vast development in long distance flights. Possibly no part of the conference was more impressive than that which related to the development of aerial navigation and air services, not only as factors in times of war but as agencies in the promotion of peace and progress. Fortunately, so far as Canada is concerned, it was possible to make a statement of the part played by our air services, which was of the highest character. During the period of the war, though this country had no aerial service, it did contribute 10,000 men to the air force, and since the war there has been a very great development, largely on the civil aviation side. With respect to surveys, the patrolling of forests, of coast areas and in other directions, a marked advance has been made by the Canadian service.

The British government intimated that they were anxious to experiment in airship flights, and asked the dominions if they would coöperate toward that end. It appeared to my colleague and myself that the citizens of Canada would wish to have this country coöperate closely with Great Britain in an experimental air service between the British Isles and the Dominion, and we undertook—it was the only undertaking we gave without

the sanction of parliament, with the full expectation however, of receiving such sanction, to say that this country would be prepared to establish mooring masts and to provide the necessary meteorological data to enable the experiment to be made within the next year or two. That undertaking was cordially appreciated by the British administration.

On the question of defence, I have already outlined what took place. Perhaps I need only add that no commitments were made on the part of Canada with respect to defence. Indeed no requisitions were made on the part of the British government for action on the part of the dominions. The resolution of the conference of three years ago was approved. Hon. members will recollect that that resolution sets forth that it is for each dominion, through its government and its parliament, to decide upon its own defence, and upon the character and extent of its coöperation with other parts of the empire. In other words, it is for this parliament to say in all matters pertaining to defence just how far Canada shall go.

Among the other subjects dealt with were some that related more particularly to the colonies, protectorates and mandated territories. As this dominion is not interested in an immediate way in any of these questions, I need not more than mention that they were subjects of consideration by some of the dominions.

I come now to what, from the point of view of this dominion, I assume to be the most important of all the matters discussed at the conference, namely, constitutional issues and questions relating thereto. First of all may I explain how these questions came to play the important part which they did in the conference proceedings? I mentioned the other day that Canada did not put forward concretely any particular matters to be taken up at the conference. I should not like that statement to be construed as meaning that Canada has played no part with respect to many of the questions that were raised. As a matter of fact the position which this country has taken all along of being a self-governing dominion with full right to control its own domestic affairs, both internal and external, necessarily brought to the fore many important questions which seemed to suggest a possible conflict with that point of view. Some of these questions we in Canada have long since worked out satisfactorily, but they are assuming an importance in other parts of the empire similar to that which they assumed here many years ago. An outstanding impression one receives from a conference such as the Imperial conference is the vast difference that exists between the different dominions of the British Empire. To refer to the dominions as a class, as though they were all of a type, is I think a mistake. There is need for the recognition of the individuality within the empire of each separate dominion. There are differences of historical background, of racial composition, of economic development and of political evolution, all of which go far to make the differences between the dominions themselves vastly greater in many particulars, than any differences between this Dominion and Great Britain. It is largely for that reason that some of the questions which created a good deal of discussion at the conference were brought forward. Questions that we, as I have said, have regarded as settled for many years past, have come to assume an importance in South Africa and in the Irish Free State which they have not assumed here for many years, and naturally those countries were interested in having all such questions determined.

Broadly speaking, the first duty and effort of the committee that dealt with the constitutional questions was to formulate a statement which would clearly define the position that has been attained by the self-governing dominions in their relation to Great Britain. That position is set forth in the report as one of equality of status, permitting of free coöperation between the different parts of the empire. It is natural that the constitutional questions should assume a considerable magnitude when we recall the fact that the transition from a relationship within the empire of imperial control and colonial subordination to one of equality of status, with free coöperation between the different parts, is the greatest political transition that possibly the world has witnessed, the most momentous, and the most unprecedented political development of modern times. It was inevitable that this transformation, which has gone on with special rapidity since the war should create new problems that would have to be faced, should make it necessary from time to time to take stock, to consider ways and means of making forms correspond to facts, and of adjusting relations with foreign countries to the new conditions. So far as the dominions were concerned, in their relation to Britain, they started out in a position of colonial subordination. It was recognized that there was an

Imperial control over the dominions. In the course of years, however, by here a little being gained and there a little, in the political evolution that has occurred, a change has come about; and whatever we may say when we come to refining from technical and legal points of view, we no longer think of the dominions as being in a position of colonial subordination nor of the British government as in a position of Imperial control in relation to other parts of the empire.

To solve the constitutional question it was necessary to find some common ground and agreement on the part of all sections of the empire regarding the new status which has been attained. How that status has been attained and to whom the credit is due is another question that can be discussed by itself. Certain it is, however, that to no one group or cause is the change to be attributed: it is part of the evolution of the last half century, an evolution that was tremendously accentuated by the war. The change that has come about is one that can be described as a change from a position of Imperial control and colonial subordination to one, as I have already said, of equality of status and free coöperation as between the dominions and Great Britain. That being set out as the basis of a common agreement, it became necessary to consider in relation thereto many forms which, if not entirely, at any rate to some extent, have become obsolete and which appear to be in conflict with the altered situation. That brought up various constitutional questions which were the subject of considerable discussion. Once having stated clearly that the position attained to-day was one of equality of status, it then became necessary to examine, in the light of that statement, existing legal, judicial or administrative forms which seemed to be in conflict therewith, and to see how far these obsolete forms were a vital consideration. That was how the committee came to give so much time to the consideration of some of the matters to which I shall now refer.

May I be allowed to quote to the House the statement which was agreed upon as setting forth the present position of the dominions, on the one hand, and of Great Britain on the other, in their relation to each other. And here let me stress this point: this statement relates not to the strictly legal position but to the constitutional status which has been reached. In a speech recently delivered in Edinburgh Lord Balfour declared that law had always followed a little behind constitutional practice and development; and that very sound opinion, I think, may well be kept in mind in considering this large question of the constitutional position of the different parts of the empire at the present time.

I will read the paragraphs of the report which bring out the significant passage:

> The committee are of opinion that nothing would be gained by attempting to lay down a constitution for the British Empire. Its widely scattered parts have very different characteristics, very different histories, and are at very different stages of evolution; while, considered as a whole, it defies classification and bears no real resemblance to any other political organization which now exists or has ever yet been tried.
>
> There is, however, one most important element in it which, from a strictly constitutional point of view, has now, as regards all vital matters, reached its full development—we refer to the group of self-governing communities composed of Great Britain and the dominions. Their position and mutual relation may be readily defined. They are autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the crown, and freely associated as members of the British Commonwealth of Nations.

The significant points in that statement are, first, the emphasis it places upon the complete autonomy of the dominions in the matter of their own domestic and external affairs, and secondly, the allegiance to a common sovereign. These two are stressed as being points of agreement among the various parts of the empire as represented at the conference.

Let us now consider this general statement, taking up in turn existing forms or laws that seem in conflict with it. As a first, not in order of consideration but as illustrating the evolution that has taken place, let me begin with the king's title. The conference decided to change the title of His Majesty the king. That change grew out of the altered position of the Irish Free State, which is one of the self-governing autonomous dominions. The title of His Majesty heretofore has always been "of the United Kingdom of Great Britain and Ireland," et cetera, "King". It was pointed out by representatives of the Irish Free State that inasmuch as that state was a self-governing dominion, and an agreement having been reached at the time of its establishment that it should be placed in the same category as the other dominions, it should no longer be linked up with the United Kingdom in the description of the king's title. By agreement, therefore, between the British government and the Irish Free State it was proposed that the title should read: of Great Britain, Ireland and the British Dominions beyond the Seas, King," et cetera, it being understood that the title

was of geographical and not of political significance. In order to meet an objection raised on the part of northern Ireland, it was agreed that the parliament at Westminster—this was not done by the conference but by the British government—should hereafter be described as "the parliament of the United Kingdom of Great Britain and Northern Ireland" and not as "the parliament of the United Kingdom of Great Britain and Ireland." That matter was one which really was the subject of an agreement between the Irish Free State and the British government at the time the Irish Free State was created, and the conference was simply asked to acknowledge the situation as being a proper one in the light of the broad principle of equality of status between the dominions—the Irish Free State being one of them—and the British government.

The next subject to be mentioned in this connection relates to the position of the governor general. I have already stated that the change from a position of colonial subordination to one of equality of status as regards the dominions has been a matter of political evolution. When governors general were first appointed to this country—just as governors, are appointed to-day to the colonies—there was an acknowledged position of colonial subordination in the relation of the Dominion to the mother country. That, however, has long since passed away, and the position of Governor General has come to be understood as that of the representative of His Majesty the King. Speaking in a previous debate the hon. member for St. Lawrence-St. George (Mr. Cahan) said that the position of Governor General had in no particular been changed, that it was set forth in the British North America Act and remained as stated there. I agree with my hon. friend as to that; the position has not been changed but what has been changed is this: It is now perfectly clear that the Governor General is advised by the ministry of the Dominion to which he comes, and is no longer free to accept advice from His Majesty's government or from any department of that government with reference to the affairs of the Dominion of which he is Governor General.

Mr. CAHAN: Has not that been the case since Mr. Blake was Minister of Justice?

Mr. MACKENZIE KING: I should not be at all surprised to learn that Mr. Blake emphasized that aspect of the question very strongly.

Mr. CAHAN: Instructions to the governors general were changed at his request.

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: The point I wish to bring out clearly is that the conference was speaking for all the dominions, and not merely for the Dominion of Canada. We have undoubtedly led the way in bringing about the present constitutional position of the Governor General, and I think it can be said that there is no longer any possibility of doubt that the Governor General is the representative of His Majesty the King and in no way the representative of the government of Great Britain or of any department of that government.

Mr. MANION: Might I ask a question there? Last year, why did my hon. friend insist that the governor general get advice from the colonial office?

Mr. MACKENZIE KING: If my hon. friend had waited a moment, he would have heard me speak on that subject, because I intended to refer to it and I shall be glad so to do. Notwithstanding the accepted constitutional position, governors general of Canada up until very recent times have, I think, felt themselves in many particulars largely the agents of the British government. One has only to pick up some recent biographies to see wherein governors general of Canada have been communicating with the Colonial Office very much from the point of view of being the representatives of the Colonial Office and of the British government rather than the representatives of His Majesty the King. That, I take it, is not likely to occur in the future, and if it ever should occur it will be perfectly apparent that it is a wholly unconstitutional position.

Mr. CAHAN: They will be more careful in writing their own biographies.

Mr. MACKENZIE KING: That may be true. The hon. member for Fort William (Mr. Manion) has asked me why, I advised the late Governor General, Lord Byng, to confer with the British government at the time I requested dissolution. Had I asked Lord Byng to communicate with the British government with regard to any matter which was a Canadian question pure and simple, and not with reference to a particular course of proceeding on a constitutional matter which might be brought to his attention, I would feel that as Prime Minister I had tendered advice to His Excellency which did not recognize the position I have already stated to be that which the Governor General of this country should maintain. But what was the advice I tendered to His Excellency? It was that he should ask the British government not whether there should be a dissolution in this coun-

try, not its decision with respect to any concrete question before the Canadian public, but rather, what in the event of His Excellency being presented by his Prime Minister with an order in council asking for a dissolution would be the proper constitutional course for him to adopt.

Mr. CAHAN: But I might remind my hon. friend that the advice of the Prime Minister was then before the Governor General.

Mr. MACKENZIE KING: That is quite true; I had advised His Excellency that I thought there should be a dissolution of parliament. His Excellency was not disposed to grant a dissolution; I should not say he was in doubt as to whether he had the right of dissolution, because I think His Excellency held the view that he was in a position to decide that question irrespective altogether of his ministry. I did not agree with him in that; I felt that the Governor General, being in the same position as His Majesty the King, should act upon the advice of his ministers, and when I saw that His Excellency was not inclined to act upon the advice of his ministry, in order to save a constitutional question from being raised, I sought to take every step possible to have His Excellency follow the constitutional course. I suggested that before taking a step which would be unconstitutional and which would be recognized by all parts of the British Empire as such, His Excellency would do well to ascertain from the British government what he should do if confronted with a request for a dissolution.

Mr. CAHAN: But might I ask another question? In doing that was not my right hon. friend asking the Governor General to take advice from the government of Great Britain with regard to an issue raised in respect of Canadian affairs?

Mr. MACKENZIE KING: I made it perfectly clear to His Excellency at the time.

Mr. CAHAN: It must have taken a great deal of casuistry to do so.

Mr. MACKENZIE KING: My hon. friend may be accustomed to casuistry, but I am not.

Some hon. MEMBERS: Oh, oh.

Mr. MACKENZIE KING: I was doing the best I could to have His Excellency follow a constitutional course, and I think if my hon. friend will reflect a little he will agree that His Excellency might have done worse than to have accepted my advice.

Mr. MANION: Might I ask another question, just as a matter of clearing up the situation? Did not His Excellency take the attitude that he represented the king and not the government of Great Britain?

Mr. MACKENZIE KING: I am not sure that I have caught the significance of my hon. friend's remark.

Mr. MANION: I will repeat it. I am just surmising, but did not His Excellency take the attitude that he represented the king and not the government of Great Britain?

Mr. MACKENZIE KING: Exactly, and it was on that basis that I suggested that His Excellency should communicate with the British government, as to the constitutional course of procedure, because only a very few months before His Majesty the King had been advised by Mr. Ramsay MacDonald to grant a dissolution, and His Majesty granted dissolution on that advice. I advised His Excellency that as he was representing the king, he should do what His Majesty the King in like circumstances did in Great Britain.

Mr. MANION: Then why ask His Excellency to take advice from the government of England?

Mr. MACKENZIE KING: It was not advice in the general acceptation of the term. I was asking His Excellency to find out, as one who had received instructions from the British government, what was the constitutional course if he were asked by his Prime Minister for a dissolution. As I pointed out, the constitutional course in Great Britain has been established beyond all peradventure for over a hundred years; the King acts upon the advice of his ministry with respect to dissolution, and I was asking that the representative of the king in Canada should do exactly as His Majesty the King would do in Great Britain, especially as if a wrong constitutional course were taken it was very likely that results would follow which might be very far reaching and possibly inimical in some parts of the empire.

Mr. CAHAN: Was not that exactly the same as asking the Governor General to take the advice of the Secretary of State for the Dominions as to his constitutional duties?

Mr. MACKENZIE KING: If my hon. friend will only believe that what I was really seeking was to advise Lord Byng along constitutional lines and trying to prevent a mistake, he will understand my point of view more clearly. May I say in order to make my position quite clear that I added that after

His Excellency had received an opinion he could do what he liked with it; I did not say he was bound to act upon it. I wanted His Excellency to get as wise counsel as he could possibly get, and there were no other sources from which I could see that he could obtain it. May I add this further: I said to His Excellency that I would have no objection to his calling in Sir Robert Borden, a former Prime Minister of this Dominion, and asking his advice as to what was the right constitutional course to take in a matter of that kind. I did not urge it, but I made the suggestion. Any student of British constitutional history knows that in certain circumstances, His Majesty the King is entitled to call in elder statesmen no longer in office to confer with him before he finally makes up his mind on a course which involves a great constitutional issue.

Mr. MANION: Is my hon. friend prepared to call in other governments to advise him?

Mr. MACKENZIE KING: Other privy councillors.

Mr. MANION: No, but other governments?

Mr. MACKENZIE KING: My hon. friend forgets that there is a special relationship between the government of Great Britain and a governor general who is sent out from England.

Mr. MANION: I thought he represented the king.

An hon. MEMBER: Now he does, but not last year.

Mr. MACKENZIE KING: I shall now read what I said to His Excellency in this regard. I take it from my letter of June 28th:

> Your Excellency will recall that in our recent conversations relative to dissolution I have on each occasion suggested to Your Excellency, as I have again urged this morning, that having regard to the possible very serious consequences of a refusal of the advice of your first minister to dissolve parliament, you should, before definitely deciding on this step, cable the Secretary of State for the Dominions asking the British government, from whom you have come to Canada under instructions, what, in the opinion of the Secretary of State for the Dominions, your course should be in the event of the Prime Minister presenting you with an order in council having reference to a dissolution.

Now there was only in the absence of a suggestion of the kind one of two possible courses for His Excellency to take: either to decide the matter himself, without advice from any quarter, or to accept the advice of his Prime Minister; and I think that I was rendering the then Governor General the greatest service possible when I sought to have him fortified from a source that the House will admit is a good one, with respect to the right course of procedure on a constitutional issue that was then a matter of discussion between us. I continue quoting:

> As a refusal by a governor general to accept the advice of a prime minister is a serious step at any time, and most serious under existing conditions in all parts of the British Empire to-day, there will be raised, I fear, by the refusal on Your Excellency's part to accept the advice tendered, a grave constitutional question without precedent in the history of Great Britain for a century, and in the history of Canada since confederation.

There were the possibilities of a very serious situation. Fortunately it has been solved satisfactorily by the people of Canada, but if the people had not given the answer they did, that question would have been far from settled up to the present day.

Mr. CHAPLIN: I suppose there would have been a revolution.

An hon. MEMBER: Shut up.

Mr. CHAPLIN: I will shut up when I like.

Mr. MACKENZIE KING: May I just go a step further and say a word as to my action, which was a chivalrous action, in that particular.

Some hon. MEMBERS: Oh, oh.

Mr. MACKENZIE KING: Which was a chivalrous action intended to prevent the Governor General from making the mistake which he did make—

Some hon. MEMBERS: Order, order.

Mr. MACKENZIE KING: —and which action has been grossly misrepresented by hon. gentlemen opposite. They have sought to interpret that act as an effort on my part to throw a certain onus upon the British government, to have it appear that in some way there had been Downing street control. In order to make clear to the House exactly what my own wishes were in the matter, I desire to read one or two communications which passed between certain of the ministers in Great Britain and myself immediately upon my tendering my resignation as Prime Minister. I knew that hon. gentlemen opposite would attempt to have it appear that an issue was being created between Great Britain and Canada, and I sought to take the one step—and the only step that I could take—to make it perfectly clear from the

start that there was no issue between Downing street and the government of this country. The minute I had tendered my resignation as Prime Minister I sent a cable message, to be given to Mr. Baldwin, the Prime Minister of England, and to Mr. Amery, Secretary of State for Dominion Affairs, setting forth my relations with the British government during the entire period I was Prime Minister. I could not send that communication myself direct as Prime Minister, because I was no longer in office, but I sent it to Mr. Larkin, the High Commissioner for Canada, to be transmitted to the Prime Minister of England and the Secretary of State for Dominion Affairs.

Mr. CAHAN: Was that after your resignation?

Mr. MACKENZIE KING: My resignation was announced in this chamber shortly after two in the afternoon. This communication was sent at about a quarter to three on the same day.

Mr. McGIBBON: When you were only a private member.

Mr. MACKENZIE KING: At that time I was a private member; I had ceased to be Prime Minister.

Mr. CAHAN: What right had you to communicate through Mr. Larkin?

Mr. MACKENZIE KING: I had the same right as my hon. friend has when he has a communication he wishes to make.

Mr. CAHAN: Not a communication to the British government.

Mr. SPEAKER: Order.

Mr. MACKENZIE KING: May I say further that if there had been a prime minister, if there had been a secretary of state for external affairs, if there had been a government, I would have asked the government or some member of it to send that communication. But we had not a prime minister, we had not a secretary of state for external affairs, we had not a government. We had no one who could officially send a communication, and I was anxious that the British government should understand the situation in its true light just as quickly as possible. This is the cable which I sent to Mr. Larkin immediately on my resignation as Prime Minister of Canada:

I wish to advise you immediately of my resignation to-day as Prime Minister of Canada. Would you kindly so advise the Prime Minister, Mr. Baldwin, and Secretary of State for Dominions, Mr. Amery, giving reasons as set forth in my statement in House of Commons this afternoon which was in following words:

"The public interest demands a dissolution of this House of Commons. As Prime Minister I so advised His Excellency the Governor General shortly after noon to-day. His Excellency having declined to accept my advice to grant a dissolution to which I believed under British practice I was entitled, I immediately tendered my resignation which His Excellency has been graciously pleased to accept. In the circumstances as one of the members of this House I would move that the House do now adjourn."

I wish you would express to both the Prime Minister and the Secretary of State for the Dominions my deep appreciation of the very cordial and happy relations which have existed between us throughout my tenure of office as Prime Minister of Canada.

W. L. MACKENZIE KING.

This communication was forwarded to Mr. Amery and Mr. Baldwin by Mr. Larkin, and the following replies were received:

Dominions Office, Downing Street, S.W. 1,
30th June, 1926.

Dear Mr. LARKIN,

It was good of you to send me yesterday a copy of Mr. Mackenzie King's telegram announcing his resignation.

I am glad to know that he like myself has appreciated the cordial and happy relations which have existed between us during his tenure of office, and I have to thank him for the unfailing courtesy and consideration with which he has dealt with the various matters which, from time to time, I have personally brought to his notice.

Yours sincerely,
L. S. AMERY.

The following communication was received from the Prime Minister:

10 Downing Street, Whitehall, S.W. 1
1st July, 1926

Dear Mr. LARKIN,

I write to thank you for your letter of the 29th June, in which you sent me Mr. Mackenzie King's message upon relinquishing his office as Prime Minister of Canada. This event marks the end of a period during which, as Mr. Mackenzie King says, our relations have been consistently most cordial and happy.

I should be grateful if you would be so good as to thank Mr. Mackenzie King for his kindly message which I have very much appreciated.

Your sincerely,
STANLEY BALDWIN.

Mr. McGIBBON: May I ask the Prime Minister a question?

Mr. SPEAKER: Order.

Mr. McGIBBON: I should like to ask the Prime Minister since when the High Commissioner became the official medium of communication between this government and the government of Great Britain?

Mr. MACKENZIE KING: Since the High Commissioner's office was created. That is what the High Commissioner's office is for.

The High Commissioner is the representative of the government of Canada in England in its relations with the different departments of government in England and with regard to matters relating to Canadians in the old country.

Mr. McGIBBON: That was not a communication from the government of Canada.

Mr. MACKENZIE KING: If the hon. member sends a communication to Mr. Larkin I am sure he will treat it with great courtesy. I have stated the reasons why the communication was sent in that way. I thought it was desirable that the British government and the public at large in Canada as well as Great Britain should know immediately that my resignation was in no way due to a difference between the British government and the Canadian government. That was what I was endeavouring to make clear and I hope my hon. friends opposite will be able to appreciate that that was a stand very much in the interests of the old country and of this country, having regard to the issue which had arisen at that particular time.

Mr. McGIBBON: That does not answer my question.

Mr. MACKENZIE KING: While I am on this subject, as indicating how it is viewed by constitutional authorities of very high repute, may I read to the House a communication which was sent to the Edinburgh Scotsman on the 16th March of this year by Mr. A. Berriedale Keith. I think members of the House know that Mr. Berriedale Keith is the author of Responsible Government in the Dominions, Imperial Unity in the Dominions, Dominion Home Rule in Practice, Constitutional Administration and Laws of the Empire, and other works and that he holds a very distinguished position as a constitutional authority. Mr. A. Berriedale Keith has evidently observed in the press of the old country, through despatches sent from this side, an endeavour to misrepresent certain aspects of this particular situation, and as a constitutional authority he has written to the Scotsman communicating his view which I now wish to read to the House. The first part of it refers to a matter, that came up a short time ago and that I referred to in parliament, of an alleged understanding between the former Governor General and myself. I made it quite clear at the time that the whole matter was a fabrication and that I thought it was doing an injustice to the then Governor General to assume that anything of the kind would have been attempted by him, as it would have been quite improper for him to have permitted any understanding with respect to the holding of office. This matter is also referred to by Mr. Berriedale Keith. This is what appears in the Edinburgh Scotsman of March 16, 1927:

Constitutional Issue in Canada

The University, Edinburgh,
March 15, 1927.

SIR:

The constitutional issues in Canada, the Conservative view of which is clearly set out in the message from your Ottawa correspondent in your issue of to-day, are so important that a comment based on constitutional practice may be permissible. The alleged "gentlemen's agreement" has been declared by Mr. Mackenzie King a complete fabrication, and it need only be added that since the well-known case of Sir W. Ellison-Macartney in Tasmania in 1914 it has been clearly unconstitutional for a governor to make any bargain with ministers as to the terms on which they are to remain in office, and it is quite unfair to attribute to Lord Byng a breach of a clear rule of constitutional usage.

The vital question of Mr. King's action in advising Lord Byng to consult Mr. Amery appears to me to have been seriously misunderstood. No one could deny that Lord Byng was an Imperial officer subject to the royal instructions, conveyed through the Secretary of State. The point at issue was—what did these instructions enjoin in the case where a prime minister asked for a dissolution, and presented for approval an order in council for that purpose? Was it Lord Byng's duty to investigate the political situation for himself, and decide on his own responsibility what was best for Canada? Or could he follow the British practice—recently signally illustrated by the immediate acceptance by His Majesty of Mr. Ramsay MacDonald's advice in 1924—and act on the advice of his ministers? The custom of the Australian states supported the use of a personal discretion, but no Canadian Governor General since federation had ever declined advice. Lord Byng was without political experience, and it appears to me that Mr. King acted with much common sense in advising him, before taking a decision which, as he rightly anticipated would have very far-reaching consequences, to ask the Secretary of State what the royal instructions really meant. I confess that, while I have always held that Lord Byng erred in his decision, it appears to me that much of the responsibility really rests with a system under which a Governor General is sent out without any clear instructions as to the place which he is to occupy in the structure of government. Happily, the resolution of the Imperial conference of 1926 should effectively prevent any Governor General in future being placed in so uncomfortable a position as was Lord Byng.

I am, et cetera,

A. BERRIEDALE KEITH.

I pass to the next subject that came up, and that is the system of communication between the British government and our government. In the old days of colonial subordination all communications came from the

British government to the Canadian government through the Governor General. The practice began when the Governor General was avowedly the agent of the British government. During the war a new practice was adopted of direct communication between the prime minister of a dominion and the Prime Minister of Great Britain. There has been no definitely established practice since then, and in view of the declaration that the Governor General was representing His Majesty the King and was not the representative of the British government, it became important to consider whether the custom of always forwarding communications to a Dominion government through the Governor General should be continued or not. It was felt by the conference that there was no more reason, logically or constitutionally, why communications should be sent from the government of Great Britain to a Canadian minister or Prime Minister through His Excellency the Governor General, than why a communication from the Canadian government to the Prime Minister of England or the Secretary of State for Dominion Affairs should be sent through His Majesty the King. It was decided that, having regard to the equality of status, the practice that should be adopted hereafter would be one of direct communication of government with government, thereby eliminating the possibility of a Governor General being drawn into controversy or discussion with respect to despatches that are immediately passing between governments. It will take a little while to have this new arrangement worked out, but it is being worked out at the present time.

The next subject was that of the negotiation, signature and ratification of treaties, and the representation of the dominions along with the British government at conferences and gatherings at which the representation of all or a certain number might be expected. As I mentioned at the beginning of my remarks, the Minister of Justice was chairman of the committee which dealt with that subject, and I think I might therefore well leave to him the statement to the House on that phase of the work of the Imperial conference.

I pass now to a reference to the operation of Dominion legislation which appears to be in conflict with the broad principle of equality of status that was laid down. That was another most important subject considered. May I make it quite clear that the conference never assumed that there were not certain laws existing which appeared to conflict or which did conflict with equality of status between the dominions and Great Britain as broadly stated. Indeed it was frankly admitted that some did conflict and it was because of the conflict that they were brought up for consideration and discussion. To have a very few individual acts that appear to conflict with a generally established position, and to have that situation admitted and dealt with, with a view of bringing about equality of status to the full, is a very different thing from having an old order which has passed away understood as still existing, and thereby permitting many people who are only too anxious to make difficulties between Great Britain and her Dominions to emphasize the idea of subordination. It was to get free of this kind of question which agitators, if I may use that expression in a general way, delight in bringing up, the apparent exceptions to a general rule, that the conference deliberately undertook the consideration of this matter of the operation of laws that seem in conflict with the general position of equality of status. What was the first apparent exception that was brought up? It was the question of the disallowance of Dominion legislation by the British government.

Mr. GARLAND (Bow River): Are we to understand that the only purpose in taking up these particular overriding acts was in order to meet the objections raised by agitators?

Mr. MACKENZIE KING: My hon. friend must not take too seriously my reference to agitators.

Mr. GARLAND (Bow River): I simply wish the Prime Minister to make it quite clear, because I think he will agree that it is most important that the House and country should understand exactly what the motive was in taking up these questions.

Mr. MACKENZIE KING: The motive was to get unanimity of understanding and to prevent misunderstanding in any quarter. I will come to what I meant when I spoke a moment ago about agitators, and I think my hon. friend will see clearly that I was justified in using the expression. I was referring to the power of disallowance of a Dominion act. There is a power that has not been exercised so far as Canadian legislation is concerned for fifty years. I doubt if anyone in this country, except a few students of the constitution, is aware that the British parliament has the right to disallow certain legislation which this parliament passes.

Mr. BENNETT: Not the British parliament.

Mr. MACKENZIE KING: The British government; I beg pardon. There is an obso-

lete law. It had significance at one time, but its significance has entirely gone. It remains a law; as Sir Robert Borden has said somewhere it is still a matter of legal right, but constitutionally it is dead, and it is from the constitutional point that these matters are being considered at the present time.

Mr. CAHAN: Does the Prime Minister mean that it would be unconstitutional for the British government to exercise either reservation or veto?

Mr. MACKENZIE KING: That is what Sir Robert Borden has stated most emphatically.

Mr. CAHAN: I would rather have your own statement.

Mr. MACKENZIE KING: I would say so also unless His Majesty were requested so to do by a Canadian ministry. Let me make this remark at once to relieve my hon. friend's mind with respect to the point he was going to note down, that this does not apply to any right that is guaranteed by special statute or by the constitution. I think my hon. friend has given himself a lot of unnecessary trouble and pain through overlooking the fact that the conference was careful to state that whatever is guaranteed by the constitution and whatever is laid down in a specific statute on the question of the right of the British government with respect to Dominion matters will not be interfered with in any particular. A committee has been appointed to consider this particular aspect with a view of seeing whether, in the light of the general statement that there is equality of status, there should not be some modification, but the conference has done nothing directly or indirectly to affect any right conserved by the constitution or by any specific law drafted in reference to matters of this kind.

Mr. BENNETT: With reference to disallowance or reservation. That is dealt with on page 15 of the report.

Mr. MACKENZIE KING: Yes. I think the country has been unduly alarmed due to the circumstance that this particular fact was apparently not in the minds of those who were commenting on this question. My hon. friend from Quebec East (Mr. Lapointe) is right! He says the country has not been alarmed, that only some individuals have.

Mr. HOCKEN: John S. Ewart.

Mr. MACKENZIE KING: I would ask my hon. friends to look at page 15 of the report of the conference, where they will find the following:

[Mr. Mackenzie King.]

On this point we propose that it should be placed on record that, apart from provisions embodied in constitutions or in specific statutes expressly providing for reservation, it is recognized that it is the right of the government of each Dominion to advise the crown in all matters relating to its own affairs. Consequently, it would not be in accordance with constitutional practice for advice to be tendered to His Majesty by His Majesty's government in Great Britain in any matter appertaining to the affairs of a dominion against the views of the government of that dominion.

Mr. CAHAN: Might I ask a question, with the utmost good faith? Does that mean in reference to Canada that sections 55, 56 and 57 of the British North America Act, dealing with the reservation and veto of Canadian statutes by the Imperial government, remain in full force and are recognized by the terms of the paragraph which the Prime Minister has just quoted?

Mr. MACKENZIE KING: The British North America Act remains exactly as it is in all particulars.

Mr. HANSON: That is what Taschereau says.

Mr. MACKENZIE KING: And in that he is quite right. It remains exactly as it was in the beginning, and it cannot be changed except in the manner which the British North America Act itself expressly provides.

Mr. CAHAN: Then what becomes of the power of reservation and veto which is provided in the British North America Act?

Mr. MACKENZIE KING: I have just explained that the power is just what it has always been. It has not been exercised for fifty years: it is impotent in practice, and is not likely to be exercised at any time with respect to Canadian legislation.

Mr. CAHAN: But is not that due to the restraint of the parliament of Canada in passing legislation, rather than to the power of disallowance or veto, which is here recognized, having become obsolete?

Mr. MACKENZIE KING: Undoubtedly the parliament of Canada has exercised judgment in the legislation it has passed, but I submit to my hon. friend that if he really wishes to raise an issue between Great Britain and this Dominion he need only have the British government begin to disallow legislation which this parliament may enact. For fifty years that power has not been exercised, and to all intents and purposes it does not exist as a constitutional right to-day.

Mr. CAHAN: It is affirmed in this very report as a constitutional right.

Mr. MACKENZIE KING: No British sovereign to-day would think of disallowing an act of this parliament on the advice of the British ministry. He would wish to have the advice of His Majesty's advisers in this country. Unless the subject were one which is set forth in the constitution of the country or relating to something which the constitution was intended to safeguard—

Mr. CAHAN: Or set forth in imperial acts.

Mr. HOCKEN: May I ask the Prime Minister—

Mr. SPEAKER: Order. I do not think it is fair to the Prime Minister to be interrupting him all the time. This is a very important debate, and it seems to me the Prime Minister should be allowed to continue.

Mr. CAHAN: I beg pardon. I was deeply interested in the discussion.

Mr. MACKENZIE KING: If my hon. friend will allow me, I think I can explain to him wherein this has a significance. So far as the question of disallowance is concerned, it is not a matter of any great concern to this parliament or to this country because it has not been exercised for fifty years, and we have no fears of its being exercised. But take the position of Ireland, and then you begin to see why this question was brought up at the Imperial conference, and why the interpretation which the British ministry has placed upon it is a wise one. The Irish Free State came into existence in 1921, and one of the clauses of the act bringing it into existence provided with respect to constitutional questions, that matters affecting the Irish Free State would be carried out in accordance with the practice and custom of Canada. That is what made it important to have an interpretation, so far as Canada was concerned, of the significance of disallowance.

Now may I draw this to the attention of the House? In the Irish Free State you have a body of members who have separated from those in the north of Ireland. They have withdrawn the representation which they formerly had in the British House of Commons, having now their own parliament dealing with their own affairs. If you grant that the power of disallowance lies in the hands of the British government, then, so far as the Irish Free State is concerned, the situation is this: that the men who within the last three or four years have been given the right of self-government are obliged to have all their legislation subject to disallowance by a government that politically may be hostile to them. Does not my hon. friend agree with me that I am entitled to say that that is the kind of a situation which agitators delight in? All that is needed to create trouble in southern Ireland with respect to the power of disallowance is to point out that gentlemen sitting at Westminster, who politically are the sworn enemies of the right of self-government in the Irish Free State, have the right to disallow any act of the parliament of that state. The British government took the broad view that such a situation should not be allowed to develop in that way, and they have given in clear terms their own interpretation of what their course of action with respect to disallowance will be. The British government themselves have done this. They have said with relation to legislation passed by the parliament of the Irish Free State that they would not disallow such legislation except upon the advice of the ministers of the Free State parliament, not the ministers of the British parliament. Is not that the sort of thing that makes for unity and harmony within the empire? And the same thing is true in its application to South Africa. South Africa has grave racial problems. An agitator there can make capital of the fact that legislation passed by the South African parliament may be disallowed by the British parliament. But the minute that the British government come forward with a broad liberal principle and say we will so far as this power of disallowance is concerned exercise it in a constitutional way, namely, where there is a self-governing dominion we will recognize equality of status and we will have that power of disallowance exercised only on the advice of the ministry of the dominion concerned, there all possibility of agitation is at an end. That was the principle laid down with respect to disallowance. And so I might go on and say with regard to such matters as the right of appeal to the Privy Council that there again the position was clearly stated, that it was for the dominion itself, possessing self-government to the fullest extent, to say whether or not it wished that right of appeal limited, cancelled or continued. In other words, what the British government, along with the other dominions sought to do was to make it clear that when we speak of self-government—autonomy—in relation to domestic and external affairs, the words mean exactly what we say they do. I shall leave this part, because it gets into the realm of legal controversy, to my friend the Minister of Justice to deal with.

The same class of argument or objection as has been raised in this House came up in the House of Lords and was answered by the Right

Hon. Earl Balfour himself, speaking for the conference and the point of view which it presented. I will ask the House to bear with me while I read one or two of the criticisms that were made in the House of Lords on the points I have just been mentioning. They resembled closely the criticisms which hon. gentlemen opposite have been making. Then I will ask my hon. friends to listen to how Lord Balfour replied to those criticisms. Lord Balfour's reply is the answer that I would make to similar criticisms here.

Mr. CAHAN: It is most unconvincing in view of the facts.

Mr. MACKENZIE KING: If my hon. friend will not be convinced by Lord Balfour, a former Tory prime minister of England, nothing under heaven will convince him.

Mr. CAHAN: He is the keenest dialectician and casuist in the House of Lords.

Mr. MACKENZIE KING: Lord Balfour was dealing more particularly with lawyers, and I would address his reply especially to my hon. friend, because Lord Balfour was confronted with just the kind of objections that my hon. friend has been making—objections based on some legal technicality which has really little or no force so far as the constitutional position is concerned.

Mr. CAHAN: And he was meeting it with the same casuistry which the right hon. gentleman is now displaying.

Mr. MACKENZIE KING: Let us listen to the statements. Lord Parmoor, taking part in the debate in the House of Lords on December 8, spoke as follows regarding restrictions:

First of all, their own powers are circumscribed and restricted under their own constitutions granted by this country, under the operation of the Colonial Laws Validity Act, 1865, and under the well-known principle, which is not only true in theory but has been acted upon frequently, that as regards matters essentially affecting the mother country the British parliament at Westminster has a supreme authority over all dominions and colonial possessions.

Further on he said:

No one can say that the dominions, for instance, are in no way subordinate to the British parliament in any aspect of their domestic or external affairs. They are subordinate, not only in theory but in practice, in constitutional practice, in many directions both as regards their domestic and their external affairs.

And a little further on he added:

It has been authoritatively laid down that the obvious purpose and meaning of the Colonial Laws Validity Act are to reserve the right of the imperial legislature to legislate for the colonies to which a local legislature has been given, and to make it impossible for the colonial legislatures to enact anything repugnant to the imperial legislature, but not otherwise to derogate from its general legislative authority. As a matter of fact, under the Colonial Laws Validity Act and what is known as the principle of reservation, a series of matters has been reserved or kept under the jurisdiction of the British parliament at Westminster. For this reason: although you may lay down a principle of this kind in very wide language, yet when you come to its operation you will find that in a considerable number of cases what may appear to be a mere act of a local legislature of a dominion is of a character that may substantially—I use that word purposely because it is a word that has been applied in legal language—affect the interests of the mother country.

Mr. CAHAN: That was Lord Parmoor. The right hon. gentleman said he was quoting Lord Balfour.

Mr. MACKENZIE KING: No, Lord Parmoor is putting forward the views that my hon. friend would wish to put forward.

Mr. CAHAN: Possibly I can present my own views.

Mr. MACKENZIE KING: Exactly. Then may I read what Lord Balfour said in reply? What I have just read is the argument presented from the point of view—

Mr. CAHAN: Of the agitator.

Mr. MACKENZIE KING: Of the lawyer who is looking to the technical, legal interpretation rather than to the constitutional position as it is to-day.

Mr. BENNETT: He was president of the council in the Ramsay MacDonald government.

Mr. MACKENZIE KING: The answer made by Lord Balfour is this:

I must honestly say that to this part of the speech I have the most fundamental objection. He seems to me to have approached the subject entirely in the wrong spirit. He does not deny that he sympathizes with those declarations; he does not deny that that is the sort of idea that he himself cherishes; but he says: "What folly to lay down the general principles on which this empire is now constructed. I think you should first settle all the preliminary details, and smooth away all the technical difficulties which have their origin in the long history of our overseas dominions."

I cannot imagine any policy from which I more profoundly differ. You are to set yourself every kind of problem, every sort of difficulty which may conceivably arise in the course of applying the broad principles of equality of status before you dare to announce that equality of status exists.

Can anything be more legal or less statesmanlike? I cannot even put myself in the

frame of mind of the noble Lord on that subject. He asks, for instance, if the Dominions want to separate from us what exactly would happen then, what sort of notice ought to be given, by what procedure would it be done? You might as well consider all the causes of divorce before you decide upon the problems of matrimony.

Does not the noble Lord see that it would be impracticable for the conference of the Dominions and the Mother Country to meet at Westminster to say: "Well, on the whole we are inclined to think the idea of empire is one to which we may all look forward and which will embody equality of status, but just think of how many questions we must decide before we get to that point. Here is this difficulty and there is another difficulty arising out of the act of 1865. There are all these problems with regard to the Merchant Shipping Act. We must settle all those before we decide on what principle this collection of self-governing states is to work together." I boldly say to your Lordships' House that that is from beginning to end the wrong way of going to work. We have gone on exactly the opposite way.

Then, referring to a speech he himself had made before, Lord Balfour continued:

I said in reference to the relations between the mother country and the dominions:

"My own personal view is that the relations are those necessarily of equality. None of us conceive that of this conglomeration of free states one is above the other. One may have more responsibility than another, one may be in more dangers than another, one may be closer to the centre of international complications than another, but all are on an equality. That is the very essence, as I understand it, of the British Empire. As to exactly what that equality involves, as to exactly what degree of responsibility each has for the other, on that I personally think very little is gained by refining, discussing or defining."

Then he concludes:

Remember exactly what the position is. In this country we are all familiar with the idea of equality between the self-governing portions of the empire. I will not give the quotations, but it has been stated by various high authorities for the last quarter of a century and has never, I think, been formally contradicted within these shores. But that is not the position in all the Dominions. In many of the Dominions there is a minority—in most cases, I dare say, a very small minority—who are always following the train of thought which recommends itself so much to the noble Lord. They are always looking at these survivals of an earlier past and saying: "how can you consider that we in this or that Dominion are on an equality with the mother country when we find still unrepealed this or that statute? If you are to allow that kind of statement to go uncontradicted, unqualified by the broad considerations of equality with which you ought to begin, of course you can get in an audience mixed up in local controversy a certain amount of opinion in favour of the assertion that, whatever talk may go on in England, in this or that Dominion things are far otherwise and the boasted equality between the various self-governing parts of our empire does not, in fact, exist. It does, in fact, exist.

What is contrary to the fact are these survivals of a previous condition of things, survivals which have no practical effect, which have no practical interference with that equality which each part of the self-governing parts of the empire may justly claim for itself, but which no doubt can be set out in a formal document which, if you choose to treat the whole thing as purely a question of law, might have an effect, and as I believe has had an effect, in local controversies overseas. There is but one way of getting rid of that difficulty, and getting rid of it forever, and that is to take advantage of the presence within our shores of the Prime Ministers, who are representative each of his own Dominion, meeting round a table discussing this question in all its aspects and coming unanimously to the conclusion which I have ventured to say represents British opinion, and to agree that it may be desirable to consider this or that difficulty in the future, but that the broad principle—never interfered with on any important point—stands, that no control is exercised by any single one of the self-governing parts of the empire over any other part of the empire.

That is as conclusive a statement of the position that the conference sought to lay down as it would be possible to present.

When my hon. friend at this moment asserts that it is all nonsense to talk about equality of status he runs completely counter to his hon. leader, who made a statement in this House in the course of the speech on the Address. My hon. friend the leader of the opposition (Mr. Guthrie) outlined what had taken place at the different imperial conferences that have been held. He declared that the idea of equality of status was not a new one and that for many years past we had been claiming that equality. But he made one statement which was very emphatic and positive as to the time at which that equality had been recognized. Let me read to the House what the hon. member said. He is reported in Hansard at page 27, December 13, 1926, as follows:

The next conference was that of 1921. There had been a good deal of change in the position of the overseas dominions since the 1917 conference; not only had we been recognized as free and equal nations, but we had actually signed the treaty of Peace, I suppose the most memorable treaty of modern or of ancient times. There we stood in Paris shoulder to shoulder with the other nations of the world and recognized as being on an equality with Great Britain and the other nations.

Could there be a more positive statement than that or one more comprehensive? That is what the leader of the opposition said, and I wonder whether my hon. friend will differ from him. If he does, then there is considerable difference in the ranks of hon. gentlemen opposite. The hon. member went on to say:

Therefore when the conference met in London in 1921 a question immediately arose as to whether it was now necessary to call a constitutional conference pursuant to the resolution of 1917. The constitutional situation had greatly changed; our position had become definite and accepted.

That is the view of the leader of the opposition. Let me again point out that the question of equality of status is not a matter that has been determined by this last conference; it is one of political evolution. What this last conference has done has been to give to the world an authoritative statement of an agreement on the part of all parts of the empire to that broad principle of equality of status.

Mr. CAHAN: How was that agreement evidenced?

Mr. MACKENZIE KING: By a report unanimously adopted by the conference, which report was approved by the British government as well as by the representatives of other governments present.

Mr. CAHAN: Does approval of the Prime Minister constitute approval on the part of Canada?

Mr. MACKENZIE KING: I am afraid we shall have to wait forever before my hon. friend will approve it.

Mr. CAHAN: That is not a fair answer.

Mr. MACKENZIE KING: If there is to be any approval at any time I doubt whether a more authoritative one could be found than that which the last Imperial conference gave.

Mr. CAHAN: Which the Prime Minister of this country gave on behalf of Canada.

Mr. MACKENZIE KING: Which I agreed to, yes, on behalf of Canada.

Mr. CAHAN: Could no more authoritative approval be given by Canada?

Mr. MACKENZIE KING: If my hon. friend thinks that in giving that approval I went contrary to the views of this parliament, I ask him to move a resolution to that effect and let us debate it in this House. If he does we shall get an expression of opinion on the part of parliament, and I venture to say that parliament will endorse the position taken by the Imperial conference on the question of equality of status.

Mr. CAHAN: There are other things.

Mr. MACKENZIE KING: It has taken a long time to secure this authoritative statement regarding the relationship between the dominions and the mother country. May I remind the House that the first person to declare, in a manner which served to attract general attention that Canada was a nation, with an equality of status with other parts of the empire, owing a common allegiance to the king, was the Right Hon. Sir Wilfrid Laurier. This was at the time of Queen Victoria's diamond jubilee in 1897. In that year, speaking on July 7 at the Constitutional Club, as reported in The Times on the following day, Sir Wilfrid Laurier said:

The British Empire is a galaxy of free nations. The bond of the British Empire is allegiance to the king, without distinction of race or colour.

I ask my hon. friend to compare that declaration made in 1897 with the declaration of the Imperial conference of 1927 and he will find that both essentials are identical. Each lays emphasis on the national character of the Dominions, each lays emphasis on the common bond of allegiance to the Sovereign. Sir Wilfrid Laurier was decried by the friends of my hon. friend as being a separatist because he sought to give this country the status of a nation and equality in status with other parts of the British Empire, but the position Sir Wilfrid Laurier took at that time has at last not only been vindicated but come to be recognized throughout the British empire and throughout the world.

I would be very wide of the mark if I omitted as the most important of all the factors which have hastened this recognition the great part taken by this country and by the dominions as a whole throughout the period of the great war. The declaration we have here is virtually the declaration of the position of our Dominion as it would be expressed by the men who fought in the war, and who, through the general who led them at the close, gave expression to their views in the heart of London. I have in my hand a copy of an address which I had the privilege of listening to in London in 1919, delivered by Sir Arthur Currie who was, if I recollect aright, receiving the freedom of the city of London. The hon. member for Argenteuil (Sir George Perley) was at the time Canadian High Commissioner in London, and through his courtesy I had the privilege of going with him to the Mansion House and listening to this address. I desire to read a part of it to the House, because it seems to me to express exactly what the Imperial conference has expressed with respect to the status and position which should be recognized throughout the empire as existing between its different parts. On May 27, 1919, at the Mansion House, Sir Arthur Currie spoke as follows:

At this time and in this place all we can say now is that the war has brought about many rapid and drastic changes in the viewpoint of the dominions concerning their relations with the Motherland. They now believe that it is urgent that a new basis shall be found which will strengthen the British system and which will recognize that certain component parts of the empire have earned for themselves the status of nations, and they are anxious, among other things, that every suggestion of political inferiority shall be removed. In the many branches of war activities, either in the field or at home, as soldiers or as manufacturers, or in the sweeter realm of mercy, the dominions have proved themselves second to none, and have earned for themselves a proud place amongst the civilized nations of the world alongside Great Britain.

The national spirit of the dominions has been matured by the war, but the ties which bind the empire together have in no way been weakened. On the contrary, I believe there is now a strong feeling that machinery should be erected that would make out of the British Empire a constellation of nations free, equal, united by good will, common ideals, reciprocal confidence, all under one flag and one King. These nations, although enjoying absolute freedom in the working of their particular destinies, should have a voice commensurate with their singular interests in the empire as a whole. Under equal rights, equal privileges, they should, through the medium of the machinery provided, share equal duties one toward the other in the broadest spirit of coöperation, and in the councils of the world should speak definitely under the authority accruing to the combination of power, broad wisdom, and high ideals which it would represent. There is no reason why Canada, Australia, South Africa, and New Zealand, should not be to England in relation to the empire what Glasgow, Liverpool and Manchester are to London in relation to the United Kingdom, and I believe that a political system that would bring about the realization of this ideal would prove an everlasting benefit, not only to the empire's constituent parts, but to the world at large.

I say, Mr. Speaker, that this statement by Sir Arthur Currie, voicing as I believe it does the views of the men who fought overseas in the Great war, constitutes a statement of the position which exists at the present time throughout the empire, a position of equality of status between Great Britain and the self-governing dominions, and I believe it is a position which instead of challenging in any particular we should be proud to assert on every possible occasion.

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, I am sure the House has been very glad to hear the exhaustive statement made by the Prime Minister (Mr. Mackenzie King) in regard to the proceedings of the Imperial conference held in London during October and November, 1926, which for the first time have been up for discussion in the parliament of Canada as a definite question. In introducing the subject this afternoon the right hon. Prime Minister stated that by agreement it was arranged that the discussion should come up in this way. By that language the Prime Minister could only have meant that by agreement this afternoon was fixed as the time for the discussion, because I never for one moment considered that a question of this kind would be brought up on a motion made by the government itself that you, Mr. Speaker, do now leave the chair for the House to go into committee of supply.

Mr. MACKENZIE KING: Let me say to my hon. friend at once, that I meant we would take it up at this time; it was a matter of arrangement.

Mr. BENNETT: An arrangement of time but not method.

Mr. MACKENZIE KING: Yes.

Mr. GUTHRIE: I agree that the time was arranged but not the method, and when the suggestion was made to me there was nothing further from my mind than that such a method should be selected for this important discussion.

This matter was discussed to some extent at an earlier date this session, Mr. Speaker. On December 13 last, when the House was occupied in discussing the address in reply to the speech from the throne, the subject received some considerable attention, and reference was made this afternoon by the right hon. the Prime Minister to that debate. No objection was taken to his so doing and I presume the same courtesy will be accorded me, because it is my desire to make reference to the remarks of my right hon. friend on that occasion to show the idea I had with regard to the method to be adopted by the government in bringing this question to the attention of parliament. During the discussion in December last my right hon. friend made it abundantly clear that the report of the conference would be submitted to parliament in due course; he did so in precise and emphatic language which will be found at page 43 of Hansard:

> It was a conference of representatives of the different governments, and everything that conference did, before it begins to bind a single part of the empire, is subject to the approval of not only the governments but also the parliaments of the different parts of the empire.

A little further down on the same page he used these words:

> I may say to my hon. friend that the government intends to put the report before this House just as it appears, and to recommend its adoption.

There can be little surprise, therefore, that I was misled by the positive statements made by the Prime Minister on December 13 last. I assumed that my right hon. friend would bring this report forward to-day in the form of a motion expressing the approval of this House of the report and the proceedings of the conference of 1926. When he spoke in this chamber on the 13th of December last he declared that he would do so: he meant to bring the report here and ask this House to confirm and approve it. But in the interval he has changed his mind for some mysterious reason best known to himself.

Mr. MACKENZIE KING: May I give my hon. friend the reason?

Mr. GUTHRIE: Not just now. I do not want to be interrupted and I do not want to be discourteous either; but I myself do not interrupt and I do not like to be interrupted. For some mysterious reason best known to himself, which he did not give the House to-day, the Prime Minister has changed his method of procedure. He does not now ask parliament to approve this report. As I listened with the greatest respect and with the greatest attention to his remarks this afternoon I gathered that in his view all the consent, or assent, or approval, which this parliament need give had already been given by the Prime Minister when he supported the motion in the Imperial conference which carried the report. I must dissent entirely from that position. I submit to my right hon. friend and to the Minister of Justice that they never were authorized by this country or this parliament to go to the conference for any other purpose than to confer, to advise, and to consult, and the Prime Minister had not the power, nor had his Minister of Justice, nor had either or both of them, to commit this parliament or this country to a single proposal, and it cannot be done to-day save through the action of this House. It has always been laid down in this House, and I think in the conference itself, that all proceedings at these conferences are purely advisory.

Mr. LAPOINTE: Hear, hear.

Mr. GUTHRIE: And my hon. friend the Minister of Justice interjects the remark "hear, hear".

Mr. LAPOINTE: It is a truism surely.

Mr. GUTHRIE: Does he agree with me in that?

Mr. LAPOINTE: Surely.

[Mr. Guthrie.]

Mr. GUTHRIE: Does he agree that this parliament has not in any way, shape or form been committed upon the report of the conference?

Mr. LAPOINTE: Surely.

Mr. GUTHRIE: Then why the discussion this afternoon? Why take up the time of parliament further if approval of parliament is not asked by my right hon. friend the Prime Minister, and will not be asked by the Minister of Justice?

Mr. LAPOINTE: It was not taken up in the British parliament.

Mr. GUTHRIE: I am not discussing the action of the British parliament. I am talking of the action of this government, and of the statement made by the Prime Minister in this House on the 13th December last that this matter would be brought up, a report laid before parliament, and the approval of parliament sought. That has not been done. It should have been done; and I entirely dissent from the proposal that we in this country or in this parliament can be committed in any degree whatever by the action of the Prime Minister and his cabinet in a matter of this kind. I mention this particularly now in view of what took place at the conference of 1923. The danger of the situation is that unless we do take some definite action in regard to these proposals, as time goes on we may be taken to have acquiesced in them whether we have done so or not. That is precisely the difficulty in which we find ourselves in regard to the conference of 1923. In the conference of 1923 certain recommendations were made in regard to the negotiation and the ratification of treaties and carried unanimously. That conference was attended by my right hon. friend the Prime Minister and by the then Minister of Justice, Sir Lomer Gouin. They heard the resolution in regard to treaties read and discussed at the conference; they both voted for it, at least they did not dissent, because the report says it was carried unanimously; but it has never been laid before this House for approval or adoption. What are the words of the resolution itself? It says:

> The conference recommends for the acceptance of the governments of the empire represented, that the following procedure should be observed in the negotiation, signature and ratification of international agreements.

It recommends "for the acceptance of the governments concerned." Parliament has never approved that resolution. Is it possible that the government has approved it? Because "government" is the word used in the

resolution. Is it possible that an order in council has been passed by this government, of which parliament knows nothing, approving the resolution in respect of treaties passed in 1923? I do not think that any order in council has been passed. I do not think the government has ever approved the resolution of 1923. I am sure the House has never approved it. Now the difficulty is this: We have acted upon that resolution without approval. It may be said we have adopted it, and I think we should be very careful that we are not involved in the same manner in the present instance. In the year 1924, and again I think in the year 1925, treaties have been ratified and signed in accordance with that resolution passed at the conference of 1923, which was not to come into force until it was accepted by the governments of the self-governing dominions. This government has never accepted it so far as I know, but we have acted upon it and consequently we will be held to have ratified it.

Now I think my right hon. friend realizes that if we simply discuss the present resolution, if parliament takes no action upon it, if we allow it to lie upon the table without dissenting, we will be held, as the years go on, to have acquiesced in it and to be bound by it. I propose then to offer formal dissent, to make clear that this parliament has not approved of it and is not bound by it. I submit that the principle that ministers are entitled to go to these conferences and in any way commit this country is absolutely untenable.

Mr. LAPOINTE: Hear, hear.

Mr. GUTHRIE: No man could have made it plainer than the late Sir Wilfrid Laurier did in the conference of 1902, again in 1907, and again in 1911, when he even objected to the change of the name from "Imperial conference" to "Imperial council." He said the words "Imperial council" might imply a body which has some power to enact or to legislate. He dissented from that idea altogether, and made his dissent very marked and very plain. No one has ever considered, from his day down to the present time, that the mere reports of these conferences, although unanimously passed, committed anybody until they had been expressly approved by parliament.

My right hon. friend has brought this matter up in such a way that it is difficult to express ourselves without being charged with partisanship in so doing. No one knows better than my right hon. friend that any motion we may make, by way of amendment to the motion now before the chair, is a motion of want of confidence in this government; and nobody knows better than my right hon. friend that he can successfully stifle free discussion and the expression of free opinion on this question by simply saying to his followers behind him, "This is a want of confidence amendment and must be voted down." He has taken a strangely inappropriate opportunity to consider this question in an absolutely unpartisan manner.

Mr. MACKENZIE KING: If my hon. friend wishes to bring in a motion, I will undertake to say on behalf of the government that we shall not regard it as a want of confidence motion?

Mr. GUTHRIE: Whether he so regards it or not, it is, and it would be an amendment to a motion to go into supply. I think, however, my right right hon. friend in his speech in the House to-day has discussed this question upon fairly broad principles and has so far as he possibly could, avoided that taint of partisanship which he is always inclined to impute to this side of the House in our discussions and as he did impute to me when I discussed this matter in December last. I will discuss this question upon just as high a plane and upon a plane just as nonpartisan as has my right hon. friend, and in the remarks which I propose to offer upon this matter I shall have no regard whatever to party politics. I shall have regard only for the well-being, present and future, as I see it, of the Dominion of Canada. It may be that many will be in absolute disagreement with the propositions which I propose to lay before this chamber before I conclude my remarks; but I am convinced that I am right in the view which I hold, and I discern in this proposal elements of the gravest danger to this country, although not perhaps in the immediate future. I do not say that serious dangers exists to-day; but what I fear in this report is that it opens the door to future possibilities which may end in serious consequences to this country and the time to avoid and to check the possibilities of future trouble is now.

The difficulty could have been avoided very easily by the insertion of a few words in this report. Had the Prime Minister and his colleague the Minister of Justice fully appreciated the whole matter involved in this report, a slight limitation or reservation in respect of Canada might have saved the situation. I do not for one moment say that the whole report is open to objection, far from it. In regard to most of it, I heartily agree with the Prime Minister. I could go over many of the statements which he has made to the House this afternoon, and in

regard to them I would have to express my full accord. Nor do I take issue with his remarks in regard to equality of status; I agree with him on that point. To my mind he laboured the question of equal status far too much in his speech this afternoon. We have always asserted an equality of status for this country; whether our assertion has at all times been well founded or not is another question. We have at all times during my public life proclaimed it; we rejoice in it and we desire to maintain it. But any proposal which by any possibility may interfere in the future with the special conditions and circumstances which exist between peoples and provinces in this country we must avoid.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. GUTHRIE: Mr. Speaker, before the six o'clock adjournment, while discussing the report of the Imperial conference of 1923, I had stated that that report had never been adopted by this House. I must express my thanks to my hon. friend from Labelle (Mr. Bourassa) for having drawn to my attention that during the closing days of the last session of parliament a resolution was submitted to this House, which was adopted, approving of the resolution of the conference of 1923. I had looked through the records for 1924 and 1925, but I had not looked through those for the year 1926. I find, however, that during the last week of the last session the report of the conference of 1923 was formally adopted by a resolution of this House.

Mr. MACKENZIE KING: May I interrupt my hon. friend? I think he is mistaken. What was adopted was that particular part of the report which related to the signature, negotiation and ratification of treaties, but the report itself as a whole was not submitted to parliament.

Mr. GUTHRIE: It is the resolution I was discussing this afternoon, which was made subject to the ratification of the governments of the various dominions.

Mr. MACKENZIE KING: That one resolution.

Mr. GUTHRIE: My point was that it had never been adopted, although we had acted upon it in regard to one or two treaties. For some reason or other, at the close of last session it was thought necessary to bring in a resolution to adopt that particular resolution of the Imperial conference of 1923. If it was necessary to do so on that occasion, is it not far more necessary on the present occasion that a similar course should be taken by this House to adopt the much more important report which is now before us for consideration? Why, Sir, as I read the reports of the former Imperial conferences they fade into insignificance in contrast with the report of the last conference. The former reports deal with matters of minor interest as compared with the pronouncements made by the conference of 1926. In none of the former reports was there any recommendation which one might consider a recommendation for any constitutional change. But in this instance by the language of the report itself constitutional principles are discussed and recommendations are made involving what one must pronounce to be grave constitutional changes in this country.

Mr. Speaker, if ever there was a time when definite action should be taken by parliament in regard to an Imperial conference report that time is now. Indeed, so various have been the statements made and the opinions expressed in regard to this report by ministers who actually took part in the conference as representatives of this country and by others who represented other parts of the British Empire, so various and so diversified have been the expressions of opinion in regard to what the conference actually did, that the public of this country has no clear idea of what actually took place from what has been actually reported. I place side by side the statements made by three of the prime ministers who attended the conference of 1926. First, I take the statement made by the Prime Minister of Australia when he was in Canada in January last as reported in the press at the time. He said:

> There is nothing really new in the status or relations of the British dominions as a result of the recent conference. The rights now enjoyed have existed ever since the termination of the war.

That is clear and distinct language which we all understand. Then I compare with that the statement of my right hon. friend the Prime Minister made in this House on December 13 last, when he said:

> I believe the work of this conference will take its place in history by the side of those great charters which have stood in one form or another for a larger freedom.

Next I place side by side with that the statement attributed to the Prime Minister of South Africa, who said:

> The British Empire now exists as a name only.

When three of the participants in conference make statements so irreconcilable as

those which I have just read, it is little wonder that the public in this country and perhaps in other parts of the British world are at a loss to know what actually did take place.

Mr. MACKENZIE KING: I am sure my hon. friend does not wish to mislead the House as to what I said or the significance of it. He has read a part only of what I said. I stated that the resemblance to the charters of a larger freedom lay in the fact that none of them purported to set forth anything that was new, but rather to register the point that had been attained—exactly the same meaning and intent as that conveyed by the reference of the hon. Prime Minister of Australia, which my hon. friend has read.

Mr. GUTHRIE: No, it is a very different statement, Mr. Speaker.

Mr. MACKENZIE KING: No, it is not.

Mr. GUTHRIE: The language can mean only one thing, that this larger freedom of which the Prime Minister speaks is a new acquisition to the self-governing powers of this country, or something to this effect.

Mr. MACKENZIE KING: Would my hon. friend do me the justice of reading the remainder of that statement, and not take a part of one sentence and separate it from its context?

Mr. GUTHRIE: I will inform my right hon. friend through you, Mr. Speaker, that the statement is to be found in full in Hansard of December 13 last, and that the quotation which I have read is accurate. I think, Sir, with such a diversity of opinion as I have described it becomes necessary to examine somewhat critically the actual report of the conference, and in doing so I assume that one may attach the ordinary meaning to plain English words. There is one thing to be said about this report, the preliminary part of it at all events, that it uses very plain and very precise language, and from the language of the introduction one can gather that the report deals not only with fundamental principles affecting the relations of the various parts of the British Empire inter se, but also the relations of each part to foreign countries. It is an inclusive report. It deals not only with inter-imperial relations, but also with the the relations of this Dominion and of the other dominions with foreign countries.

Now, what are the definite pronouncements of the report? The first is that the dominions are autonomous communities. I assume that means that we enjoy full and complete rights of self-government. I do not know that I could amplify that statement better than by a quotation from a speech made on December 13 last by my right hon. friend, which will be found at page 43 of Hansard. He said:

> With regard to the domestic and external affairs of this Dominion, the Imperial conference has said that in the opinion of its members those rights of control are just as full and complete with respect to Canadian affairs as are the rights of the British government in respect of the domestic or external affairs of Great Britain.

We know that the rights of Great Britain with regard to external and internal affairs are absolute, full and complete. So we may assume from the clear statement in the report that we are autonomous communities and that our rights in regard to both external and internal affairs are full, absolute and complete.

Next there is a definite pronouncement of equal status. My right hon. friend and I are agreed upon that point. I think we all understand the meaning of the expression, "We have equal status."

Next we have a declaration that we are in no way subordinate to one another. That is, this Dominion is not subordinate to any of our sister dominions, neither are we in any way subordinate to the parliament or government of Great Britain.

A little lower down we find another very precise declaration:

> Every self-governing member of the empire is now the master of its destiny. In fact, if not always in form, it is subject to no compulsion whatever.

I doubt if more inclusive and more conclusive language could be used to express the meaning intended to be conveyed than is employed in these declarations. Autonomous communities—of equal status—subject to no subordination—masters of our own destiny—subject to no power of compulsion. These are the main declarations of the conference in regard to the constitutional position of this country. The language is clear, definite and precise, and it refers both to our internal and to our external rights and authority.

Keeping that language prominently in view, let us pass to the next question which was discussed by my right hon. friend this afternoon, and upon which he and I are, I think, again in pretty close agreement. He next referred to the right of disallowance of Canadian Acts on the part of the government of Great Britain as enacted in section 56 of the British North America Act, and also the right of reservation of a bill for the signification of the royal pleasure as enacted in section 57 of the British North America Act. My right hon. friend has expressed an opinion to-day in respect to both these sections in which I concur. I regard both of these sections to-day

as inoperative. I think only on a single occasion in the last sixty years has an act of the parliament of Canada been disallowed by the British government. I believe also that only some fifteen bills have ever been reserved for the signification of the royal pleasure, and of these only one has failed to obtain the royal assent. But sections 56 and 57 still exist unrepealed in the British North America Act, they still constitute the letter of the law. Around them, however, has grown up constitutional practice and constitutional custom —which have actually superseded them in practice. I make this statement on pretty strong constitutional authority, and among other authorities, may I cite Sir Robert Borden, an outstanding constitutional lawyer in this country. He has stated in his brief work, Constitutional Government in Canada, that these sections of the British North America Act are practically inoperative to-day and that no government of Great Britain would dare—I do not think he used the word "dare"—that no government of Great Britain would at this late day advise His Majesty to disallow an act of the Canadian parliament in regard to our own affairs, nor would such an act of this parliament ever be reserved for consideration before receiving the royal assent. The letter of the law is still in the act; the strict legal right still exists, but the constitutional right has overridden it, and, as expressed in much better language by Earl Balfour in the House of Lords, quoted in this House this afternoon, "the constitutional right is the right which prevails." Consequently I am in agreement with my right hon. friend when I say that we are not greatly concerned with these particular sections in regard to disallowance or reservation of acts of this parliament in regard to our own affairs. Those sections are inoperative and will never be called into operation again in regard to any measures pertaining to the domestic or internal affairs of this country. No British government would ever advise the disallowance of a Canadian Act and, if it did, a very serious situation would prevail, as stated by my right hon friend this afternoon, in which view I entirely concur. Consequently I am not much concerned with this aspect of the matter. The report makes direct mention of it, and I agree that the reason for alluding to this question in this report was due to the peculiar situation that exists in the Irish Free State and possibly, as well, the situation that obtains in South Africa. Now the right of reservation has been distinctly retained in the report where that right occurs in constitutional acts; not so with regard to the right of disallowance. That has not been retained. The section in question in the report refers only to the right of reservation. There has been referred to a committee of experts, to be set up hereafter, both the question in regard to disallowance and the question concerning the right of reservation. These experts will, I have no doubt, meet at some time in the future and report upon these questions, but we in this country need have little concern with any report they may make. I submit that so far as this parliament and this country are concerned, these rights of disallowance and reservation are gone; they are fallen into desuetude. On that point I think we are all agreed.

Let me go a step further. The next question touched upon by my right hon. friend was that of appeals to the Judicial committee of the Privy Council, and in that connection he at once enters upon a discussion of constitutional principles involving constitutional alterations—modifications in the constitution of the country of very far reaching consequence. It is, I submit, now and always has been, the inherent right of a British subject in any part of the world to bring his complaint or grievance to the foot of the throne. Such is the popular language in which this special right is always expressed. Some seventy or eighty years ago an act was passed by the parliament of Great Britain constituting the Judicial Committee of the Privy Council as the final tribunal for the settlement of claims and disputes within the empire, and the bringing of petitions for the redress of grievances to the foot of the throne in practice now means an appeal to that tribunal, the court of final resort in the British Empire. We as British subjects have always enjoyed the privilege of bringing our complaints to the foot of the throne, for, as I say, that is our inherent right. It applies to British citizens throughout the world. According to this report, however, this parliament is now authorized, if we see fit, to prohibit appeals by the citizens of Canada to the Judicial Committee of the Privy Council in the future. Let me read the exact paragraph in the report touching upon this question. It is to be found at page 16:

> Another matter which we discussed, in which a general constitutional principle was raised,—

Note the language; a general constitutional principle was raised.

> —concerned the conditions governing appeals from judgments in the dominions to the Judicial Committee of the Privy Council. From these discussions it became clear that it was no part of the policy of His Majesty's government in

Great Britain that questions affecting judicial appeals should be determined otherwise than in accordance with the wishes of the part of the empire primarily affected.

I think, from the statement made by my right hon. friend this afternoon, that he and I are in perfect agreement in our views on this point, and if I understand the meaning of the language I have just read it is simply this, that if it be the will of the parliament of Canada that appeals to the Judicial Commitee of the Privy Council be abolished our will shall prevail. If we pass an act through this House and the Senate to abolish such appeals, such appeals shall no longer be permitted.

Mr. LAPOINTE: In federal matters, yes.

Mr. GUTHRIE: There is no limitation here concerning federal matters.

Mr. LAPOINTE: My hon. friend knows that is what it means.

Mr. GUTHRIE: I do not think it does mean appeals in federal matters. It applies to the appeal of any subject on any question. If we abolish appeals we abolish them in toto. We are given the power if we choose to exercise it. I do not wish to be misunderstood in regard to this matter; personally I am not in favour of the abolition of these appeals, but there is no doubt that this parliament now has power under this report to abolish them if it so desires. I agree that in a dominion which has full powers of self government, with absolute and complete control over its internal and external affairs, there is something anomalous in the fact that our own courts have not the final determination of our own cases. I do not know that I can do better than to use the language of Professor Berriedale Keith, a high authority upon constitutional questions, and one who was quoted with great approval by my right hon. friend this afternoon. In writing to The Outlook as recently as February 5 of this year, he says in regard to these appeals:

> Of the questions at issue, that of Privy Council appeals is theoretically simple. It is obviously absurd to declare that Canada is autonomous and an equal member of the British Commonwealth of Nations, and at the same time to hold that the courts of the Dominion are unfit to do justice to an unfortunate lady who has an accident while seeking to enter a Canadian railway station, to take one of the issues recently decided by the Privy Council, overruling the Dominion courts.

And although I admit the position is anomalous, I still maintain that the right of appeal to the Judicial Committee of the Privy Council should be continued. I think in this parliament undoubtedly we will maintain the right of appeal; but in years to come we may have parliaments in this country where a different opinion may prevail. We should preserve this right of appeal to the judicial committee because I believe it constitutes our greatest constitutional safeguard. The only real difficulty which arose at the conference in connection with appeals to the judicial committee was in the case of the Irish Free State, which case my right hon. friend elaborated this afternoon. In regard to appeals from the Irish Free State the whole question was postponed until the next Imperial conference, because there were special difficulties in regard to the Irish Free State which did not exist in connection with the other dominions. In this article Professor Keith goes on to show why the question of Privy Council appeals is of vital interest to the Dominion of Canada. He says:

> Secondly, if power were given to each dominion to limit or abolish appeals at pleasure, Canada would be placed in an invidious position. If she decided to permit appeals to go on, she might be held to be deliberately accepting a status of subordination derogatory to her dignity as the premier dominion in status, resources, and population; if she felt bound to stop appeals, Quebec would be deeply resentful, for Quebec sees in the Privy Council the final bulwark of her provincial autonomy and her control of her language and religion.

This is the opinion of Professor Keith, who was quoted with such approval this afternoon by my right hon. friend.

Mr. LAPOINTE: What authority has he to speak for Quebec?

Mr. GUTHRIE: He has pointed out in the quotation I have just read the importance of these appeals in regard to the constitution of this country. First I point out that in the language of the report itself, the proposed change involves a change of constitutional principle, and I am one of those who believe that there should be no constitutional changes in this country until the proper parties assent thereto.

What may this proposal ultimately involve? I cited an instance last December in my speech which I might give again. If we remove the right of appeal to the Privy Council, in regard to domestic matters this parliament will certainly be all-powerful. Five years hence, ten years, or a generation hence, when the personnel of this House will perhaps have entirely changed, when new men with new ideas occupy these seats, what is to hinder a constitutional change of a very radical kind, if there be no appeal to the Privy Council? If the right of appeal to the Privy Council were

abolished to-day I see no reason why this parliament could not pass a law to abolish the use of the French language in this chamber, and I will tell you how it might be done. We would simply have to pass a motion to change the rules—as a few days ago we passed a motion to change other rules for this parliament—to provide that the French language should not be used in the debates in this chamber. It will be immediately said that the question would at once be taken to the courts but with a favourable House of Commons and Senate we might pass an act prohibiting any action being taken in the courts. This has been done before; it was done under the War Measures Act and it has been done on two occasions in the province of Ontario. We have the undoubted right to do so. I do not say that we could do so with great propriety, but we would have the right to do it; there would be no appeal to the Privy Council to check us; there would be no power to disallow our motion or our rule, so that we could act without hindrance. I point out to you, Mr. Speaker, and through you to the House, that the outstanding safeguard of the constitutional rights of the people of this country in many respects is to be found in the appeal which lies to the Judicial Commitee of the Privy Council, and this report enables this parliament to abolish these appeals should it ever see fit to do so. Should we have such power? Should we be able in this parliament to change the constitution of the country in this manner? We have never possessed such a right up to the present time. Australia is expressly given power to change its constitution; so are South Africa, the Irish Free State, New Zealand and even the provinces of the Dominion of Canada. The first enactment of section 93, subsection 1, gives each province of Canada the right to change its constitution save in one respect, that pertaining to the office of lieutenant governor. We possess no such power in this parliament: Why was that power withheld? We know the reason; we know that confederation in this country was brought about by agreement and through a spirit of compromise; we know, and the fathers of confederation well knew, that there existed two great predominant races in Canada, the English race and the French race, with different ideals, different languages and to a large extent different religious views. These two great races had to be brought together and harmonized to make a united Canada. It was the spirit of compromise which brought about confederation. The fathers of confederation saw to it that there should be no power in the constitutional act of this country which might enable those coming generations or centuries later to alter the basic terms of the confederation agreement. That is the reason why this parliament was not given power to amend the act of confederation.

But my right hon. friend the Prime Minister and the Minister of Justice have brought back a report, involving important changes in constitutional principles, particularly in respect of appeals to the judicial committee, a report which would enable this House to destroy the greatest constitutional safeguard enjoyed by minorities in this country. Have the provinces who originally formed confederation been consulted in regard to this proposal? Should any serious change in our constitution be permitted without the approval of the parties who originally executed the agreement which formed the basis of confederation? To my mind, Mr. Speaker, this is one of the most serious proposals brought before this parliament in a generation. It is a most dangerous power. Not perhaps to-day—I am not afraid of the situation in Canada to-day—but a time will come when we will be gone from the scene. The opportunity may then be at hand for some succeeding parliament to undo by a single act much of the good work which has been accomplished during the past sixty years. Why then permit this important proposal of this report to go unchallenged in this House? Why not submit it directly to the parties most interested, to the provinces of the Dominion of Canada who made the original agreement? Is this entirely a dominion affair, think you, Mr. Speaker? Is it not well known that appeals nowadays are very often taken directly from provincial courts to the Judicial Committee of the Privy Council, that they never approach the Supreme Court of Canada at all? Does this proposal not interfere to some extent with the rights of our citizens in the various provinces of Canada who do not desire to appeal to the Supreme Court of Canada, but who prefer to appeal directly from the courts in the provinces to the Judicial Committee of the Privy Council? The provinces have never been consulted in regard to this proposal. The provinces were not represented at the Imperial conference. Yet this report, brought back to us by my right hon. friend the Prime Minister and his colleague, the Minister of Justice, might enable us by act of this parliament, without consultation with the provinces, to destroy this great safeguard of constitutional right in this country.

Now, Mr. Speaker, this is one aspect of this report which most deeply impresses me. I feel gravely concerned about it. I know

that in many sections of this country there is great concern about it. If we may alter special provisions in our constitution in one regard we may do so in other regards. There are many anomalous conditions in our constitution to-day. The country has developed upon somewhat different lines than was anticipated at first. It is alleged that in some respects there is over-representation in one of the chambers of this parliament in regard to certain provinces of the Dominion. If we are able of our own motion to abolish appeals to the Privy Council, and if there be no power of disallowance of our acts, what is to hinder this parliament from changing the constitution of this parliament in regard to representation in the upper house—a domestic matter, an internal matter, something that does not interfere with a single interest outside the Dominion of Canada? Who can say us nay? Are we not masters in our own house? Are we subordinate to any power whatever? Have we not full autonomous powers of government in this country? Then who shall say us nay? The Minister of Justice will of course argue that the British North America Act still stands, that it has not been repealed. But what authority is there to enforce it? I ask him that question. If there be no appeal to the Judicial Committee of the Privy Council, what super-authority exists over our legislation? Trouble would at once arise if the government of Great Britain sought to interfere. It would never attempt to do so. The British government acts upon constitutional principle. It would never interfere with the exercise of a constitutional right of this country, and the British government itself has joined in sending this report forward to us.

There are other elements in connection with this report that will require some consideration. We have already gone pretty far in regard to the question of treaties during the last sixty years in this country. I do not object to it, but the difficulty I see is this: where is it going to land us? I am and have always been a strong supporter of the proposal that Canada should have the right to negotiate her own commercial treaties; but when we reached the time of the war we went far beyond the negotiation of commercial treaties. We engaged as a nation in the negotiation of the treaty of Versailles, one of the greatest peace treaties ever known in the history of the world. The question is, have we gone too far? Does the House realize that we have no authority to make treaties under the British North America Act? Section 132 of that act enables us to perform all treaty obligations entered into by Great Britain. That is the last enactment on the subject. We have no statutory power to make treaties, but we have gone ahead making them. How much further are we to go in this respect without consulting the provinces? The making of treaties may some day involve us in very, very serious consequences. I do not mean trade treaties, I mean other treaties. We may seriously involve provinces by our treaty making propensities. Let me cite a case which has occurred to my mind. Suppose this government should undertake to negotiate a treaty with Japan, a foreign nation. Suppose we were to grant to Japan lands which are owned by Canada in the railway belt in British Columbia, for settlement or otherwise, and that a protest should come from British Columbia to the effect that we have no power under the British North America Act or under any other act to make such a treaty. Well, our only power is that given in the report of the conference of 1923 and the conference of 1926, and we might act to the detriment of the rights of British Columbia. We might do likewise in regard to the inland fisheries of Ontario if we so desired; we might make a treaty with United States. Ontario might protest, but we could go on and make the treaty. All this involves a very serious change in the constitutional development of this country. I do not say it is a wrong, I uphold it; but at the same time do you not think, Mr. Speaker, that we should have the approval of the provinces in regard to these matters before we proceed much further?

There is a demand in this country which has arisen very largely on account of the report of the conference of 1926, a demand founded in my mind on a misapprehension, but a demand voiced very largely by some of the newspapers which give very strong support to the present government, that Canada take power to amend our constitution, I take the instance of the Manitoba Free Press, I quote one or two of the very clever and well considered editorials which have appeared in that well known Liberal journal in regard to the question of the amendment of the Canadian constitution, and I say that if these views here expressed are prevalent in this country it is time something was done to check them. Such views are bound in the end to lead this country into difficulties. In the Manitoba Free Press of the 23rd of November last I find an editorial headed "The Charter of Dominion Independence", which reads as follows:

The declaration by the Imperial conference as to the true relationship between the British nations appears to meet the situation created by the necessity of meeting the demands of the dominions, at least of some of them, that there be a formal and explicit recognition by definition of their complete equality with Great Britain in powers of self-government both with respect to external and internal affairs. The conference is not a legislative body; but, representative as it is of all the governments of the empire, its expression of opinion as to the powers of the dominions means that any dominion which cares to do so can now go forward in the exercise of full powers with the certainty that all legal checks will be removed.

All legal checks removed!

It imposes upon the British parliament an obligation to coöperate with the dominions in the removal of all anomalies which prevent the full functioning of dominion powers.

This point can be illustrated by a reference to Privy Council appeals. The resolution affirms that appeals should only be allowed where the dominion is a consenting party; this is not legally the case now. The judicial committee of the Privy Council has held that Canada has no power in law to prohibit appeals in criminal cases as she sought to do by legislation passed nearly forty years ago. Similarly in the Admiralty courts the Canadian laws with regard to shipping are found to be subordinate to the Merchant Shipping Act of Great Britain. On these and similar points it will be necessary for the British parliament to remove the legal bar against free action by the dominions. We assume that the appointment of the committee by the conference to consider this needed legislation is preparatory to this being done. Once this is done the situation as between the dominions and Britain will be this: That while in its technical terms the British parliament will retain its overlordship, no legislation by the British parliament, past, present or future, will apply in any dominion without its formal consent. The division in authority is so complete in fact that the formal enfranchisement of the dominion parliaments would go no further; and presumably this final step can be taken by each dominion at will. But before this can be done by Canada, we must settle some domestic questions, notably, by what means we are to amend our constitution?

I quote also from the same paper under date of December 8, 1926:

The question of how the constitution of Canada is hereafter to be amended, which has not been given the consideration which its importance calls for, will now require attention in view of the situation which arises as the result of the constitutional declaration by the Imperial conference.

I quote another extract taken again from the Manitoba Free Press under date of January 5, 1927. It is headed "Amending our Constitution", and it reads:

Recent articles in the Free Press urging the necessity for obtaining machinery whereby Canada can amend her own constitution, have drawn angry comments from a number of Quebec papers, including the Patrie and Action Catholique. The anger does not matter; the important thing is that there is recognition, even though unwilling, of the facts of the situation. The Free Press has pointed out the desirability, from the viewpoint of the interests of the provinces and of the racial and religious minority, that Canada should take over the power of amending her constitution upon conditions which would supply reasonable safeguards for these interests. We can see in these suggestions nothing to support the fears, to which the Patrie and other Quebec journals give expression, that with the amending power vested in Canada the privileges, linguistic and religious, of the minority will be in danger from the majority. It is, in fact, just the other way about. As matters now stand the protection which the minority thinks it enjoys is non-existent; and in suggesting that it be restored by a reasonable agreement between the Dominion and the provinces, to be determined by conference, the Free Press is certainly not conspiring against the rights of the minority.

It will be seen at a glance from the extracts which I have just read that the theory of a good many people in this country is that under this conference report we now have power to amend our constitution. I submit that we have no such power; but if we are to proceed to abolish appeals to the Judicial Committee of the Privy Council, the thin end of the wedge will certainly enter into the body politic. I cannot agree to the proposal that Canada be given that power; I distinctly dissent from it. I notice an article copied in the Winnipeg Free Press from La Presse of Montreal and I am going to put it on Hansard. It reads:

Think this over: What will become of the guarantees we enjoy under confederation when the Canadian parliament becomes absolutely supreme in the country, and when, as a result, the British parliament will have no control over the Dominion?

The Canadian parliament, if it so wishes, will have the absolute implicit right to change, prune and amend our constitution. Defenceless, and with no means of redress, we will be obliged to give way before the will of the majority.

In the light of past experiences, is it not right to ask whether the objective sought by some, at least, of the more vehement supporters of this theory is to wield the supreme control, exercised without right of appeal, in order to bring into effect certain aims which they have cherished for many years?

This must give us to think and must also convince us that we should not sacrifice too much for the sake of this fashionable recklessness.

Mere words are sometimes an extremely dangerous form of payment. They provide no funds with which to pay back what has been taken.

The view of La Presse is to a large extent re-echoed in the language used not long ago by the premier of Quebec in the legislature of that province. I quote from the speech of Premier Taschereau as reported in the volume of the Round Table for March current where he says:

What does the future hold for us? I do not know, but I pray the men who direct our affairs at Ottawa, and I am sure that it is their view also, to remember that the constitution which rules us must never be changed without the consent of the province of Quebec and of each province, expressed by its legislation.

We entered into confederation on certain conditions which we believed necessary for the safeguarding of all that is dear to us, such as language, schools, laws, belief, and provincial autonomy. One of the clauses of the federal pact is that the Canadian constitution cannot be changed in its essential parts without the assent of the British government. I believe that this very necessary condition may be even more necessary to-day than it was in 1867.

I am endeavouring to impress upon hon. members as best I can the seriousness of the protest which I make. I protest in the first place that this parliament should in no sense ratify this report without amendment. I protest in the second place that no constitutional changes should be permitted under this report or otherwise unless they have first been approved by the provinces of the Dominion of Canada. Let me repeat what I said at the outset. So far as the larger part of this report goes, I entirely agree; I do not express an adverse opinion in regard to any of it, more than to say that I fear it will leave the door open in the future for complications which we little estimate to-day.

I fear that a time may come when opinion in this country may change and another generation may seek to pass through this parliament legislation which may ultimately disrupt this dominion. We cannot judge of the future by the present. We will soon all pass from this scene. Our children or our children's children may be here. My most earnest desire is to preserve in this country a united Canada. We have now lived for sixty years under our present constitutional charter; we have had our little squabbles, it is true, but they have never amounted to very much. We have had no real difficulty in working out our destiny. Why then introduce changes? Why introduce the possibility of trouble in the future? Why not stamp with our disapproval that portion of this report which opens the door to constitutional change? Why not place in the report a saving clause in reference to this Dominion? The situation in this country is not like the situation in Australia. In Australia they have nothing to fear from this report. Australia can accept it in full. Premier Bruce, when he was in this country, emphasized the fact that in Australia 98 per cent of the people were of Anglo-Saxon extraction. He and his people have nothing to fear from this report.

We in this country have a different situation to face. We realize our peculiar situation in this chamber and throughout Canada. Let us have strict regard to the original contract which brought this confederation into being. Let us stand by those principles. I am not one of those who say that there shall be no change. Changes are bound to come, but let them come in the proper way. Let them come with the approval and consent of the people who made the original bargain and the people who in the final determination should be consulted in regard to a measure of this kind. I therefore beg to move, seconded by Sir George Perley:

That all the words after "that' in the motion be struck out and the following inserted in lieu thereof:

That it is not desirable that this House should be deemed tacitly to have acquiesced in the declarations and recommendations contained in the report of the proceedings of the Imperial Conference, 1926.

That in the opinion of this House the proceedings of the recent Imperial conference and the declarations and recommendations contained in the report of the Imperial Conference Committee on Inter-Imperial Relations should not be binding upon the parliament of Canada until approved by a formal resolution of this House; and that until such approval is obtained this government shall not be deemed to be authorized to take any steps to carry into effect the recommendations contained in said report;

That it is also the opinion of this House that no amendments should be procured to the British North America Act to give effect to said report or otherwise, which would affect the rights, powers or privileges of all or any of the provinces of Canada, as they now exist under the terms of said act, unless the same are first approved by the legislature of each of the provinces of Canada.

Mr. HENRI BOURASSA (Labelle): Mr. Speaker, I may be allowed, I hope, to compliment the leader of the opposition (Mr. Guthrie) upon the high tone that he has given to the debate on this important question. Once more I find myself in the somewhat difficult position, though I rather like it, of agreeing partly with the Prime Minister and partly with the leader of the opposition, but largely disagreeing with both.

On one point, first, I entirely agree with the Prime Minister, in his repentant attitude with regard to the position which the government has taken, or might have taken, on this report. The leader of the opposition blames the government for not having brought in a formal resolution of approval of the report; but I think he has furnished much argument to justify the government in not asking the House to approve the report. As far as I am concerned I thank the government for having left me in the happy position of not having to vote either in approval or dis-

approval of this report; because, although it contains much that appeals to all of us and a good deal that will appeal to some of us, it also contains a good deal that should be condemned by most.

A learned foreign observer of things British and Canadian, Mr. Lawrence Lowell, has recently expressed the view that one of the interesting features of this conference and of its report is that it at once satisfies those who advocate a distention of the bonds of empire as between Great Britain and her self-governing dominions, and also those who wish to see those bonds strengthened. He might equally well have said that it dissatisfies both those who look to complete independence as the desirable future of the dominions, and those who look to a closer and permanent coöperation. In fact, a careful reading of the report shows that the one concentrating thought upon which all the members of the conference agreed was to put therein something to satisfy everybody, and if possible nothing to dissatisfy anybody—a pretty heavy task even for a body like the Imperial conference, and headed by such a master of casuistry as Lord Balfour as he was aptly described this afternoon by my friend from St. Lawrence-St. George (Mr. Cahan).

Another reason for which I think it would not have been proper to propose to this House a formal motion of approval of this conference is that, unlike most similar documents, it contains very few concrete propositions. It is more of a dissertation upon the various subjects submitted to the conference; it is an expression of collective opinion, the supposed consensus of thought of the representatives of Great Britain and of the various self-governing dominions who conversed together behind closed doors during five weeks. But in the absence of any concrete resolution on the basic principles at issue, in the absence also of the expression of opinions given by the various representatives, I do not see how we can be expected to pass judgment upon the findings of the conference.

At the previous conference the present Prime Minister of Canada advocated the necessity of, or at all events the great advantage to be derived from, more publicity being given to the deliberations of the conference. I fail to find, either in this summary of proceedings or in the big volume of appendices which was published afterwards, that the same request was made this year by any member of the conference. The result is that we do not know the personal views expressed either by the representatives of Great Britain, or those of Australia or Canada, and so forth. I quite understand, as the Prime Minister said this afternoon, that with regard to foreign affairs, with regard to those intricate and delicate matters forming the subject of negotiation between the British government and foreign governments the world over, it would not have been proper to publish at once all that was given out before the conference either by Mr. Chamberlain or the other representatives of the Foreign Office who attended the conference. But with regard to those questions concerning the relations between Great Britain and the various dominions, with regard to principles of policy, with regard to the negotiation of treaties, and so forth, I fail to see why we should not be informed of the views that were expressed there by the representatives of Great Britain, of Australia, of Canada, of South Africa and of Ireland. Nobody can believe that they all expressed the same views on all of these principles, on all aspects of all the various questions at issue, and on the solutions proposed for these problems. It is therefore impossible for the various parliaments of the empire to pass judgment on the attitude of their representatives at that conference without knowing the particular attitude that was taken by each of them in those deliberations.

Let us take first the passage which has been mostly commented upon, not only in the various countries immediately concerned—Great Britain and the self-governing dominions—but all over the world. I mean the passage in reference to the constitutional relations between Great Britain and those dominions. I happened to be on the ocean coming back from Italy to America when this report was issued; and in the short summary of despatches given out on the ship every day a paragraph was wired from London or Paris or Berlin—I am not quite sure which, but evidently from an international news agency—giving out a summary of this report. It was all centred upon the declaration of equality of status; and it was mentioned in a couple of lines that it signified a deep change in the internal organization of the British Empire, and therefore in its relations with the outside world. Naturally it interested me very much; but knowing something of what had been going on in previous conferences, and also something of the work which preceded this conference, I remained rather skeptical and landed in New York with the idea that probably a publication of the whole report would demonstrate that there had not been such a radical revolution. I knew enough of British traditions to feel cer-

tain that matters of great concern to the British Empire are not dealt with in this manner.

So I began studying the report. The Prime Minister has spared me the task and the House the annoyance of having it read once more. I will content myself with repeating the main paragraph dealing with the present relations of Great Britain and the dominions:

Their position and mutual relation may be readily defined. They are autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the crown, and freely associated as members of the British commonwealth of nations.

Then it goes on:

A foreigner endeavouring to understand the true character of the British Empire by the aid of this formula alone would be tempted to think that it was devised rather to make mutual interference impossible than to make mutual coöperation easy.

Well, Mr. Speaker, I venture to express the view that not only a foreigner, but even a Britisher, even a close student of British history and the British constitution, if he stops at studying closely this formula, may feel somewhat puzzled as to its real meaning.

Let us deal first with the nucleus of the formula—the declaration of "equality of status," which has been mostly talked of, either favourably or unfavourably. I need not tell the House that, as stated by the leader of the opposition, in his excellent and interesting speech, there is nothing new in this declaration, although I understood at first that he took exception to it. May I point out, however, that far from being a new principle introduced in the internal relations of the self-governing countries of the empire, it is the logical and unavoidable outcome of the principle of self-government acknowledged to every community of free British subjects, at least as far back as the report of Lord Durham, and the natural development which that principle has taken in practice in its various applications ever since. May I quote to the House an opinion expressed in the early sixties by one of the most thoughtful and clear sighted English jurists of the last century, Sir Erskine May? In the first edition of his Constitutional History of England, which I think was published in the year 1861, after an enumeration of the facts connected with the evolution of self government in the various dominions he wrote:

To conclude this rapid summary of colonial liberties, it must be added that the colonies have further enjoyed municipal institutions, a free press, and religious freedom and equality. No liberty or franchise prized by Englishmen at home has been withheld from their fellow-countrymen in distant lands. Thus, by rapid strides, have the most considerable dependencies of the British crown advanced, through successive stages of political liberty, until an ancient monarchy has become the parent of democratic republics in all parts of the globe.

I at once call attention to the distinction drawn by May between the characteristic of the English nation and the characteristic of the daughters throughout the world—an "ancient monarchy" and new "democratic republics".

But such a transition, more or less rapid, was the inevitable consequence of responsible government, coupled with the power given to colonial assemblies, of reforming their own constitutions. The principle of self-government once recognized, has been carried out without reserve or hesitation. Hitherto there have been many failures and discouragements in the experiment of colonial democracy; yet the political future of these thriving communities affords far more ground for hope than for despondency.

England ventured to tax her colonies, and lost them: she endeavoured to rule them from Downing street, and provoked disaffection and revolt. At last, she gave freedom, and found national sympathy and contentment. But in the meantime, her colonial dependencies have grown into affiliated states. The tie which binds them to her is one of sentiment rather than authority. Commercial privileges, on either side, have been abandoned: transportation,—

Not in the sense that we understand it—the transportation of wheat, for example—but the transportation of convicts—

—for which some of the colonies were founded, has been given up: patronage has been surrendered, the disposal of public lands waived by the crown, and political dominion virtually renounced. In short, their dependence has become little more than nominal, except for purposes of military defence.

That was before confederation.

But parliament has recently,—

I think it was in the session of 1861—

Parliament has recently pronounced it to be just that the colonies which enjoy self-government should undertake the responsibility and cost of their own military defence. To carry this policy into effect must be the work of time. But whenever it may be effected, the last material bond of connection with the colonies will have been severed; and colonial states, asknowledging the honorary sovereignty of England, and fully armed for self-defence—as well against herself as others—will have grown out of the dependencies of the British Empire. They will still look to her, in time of war, for at least naval protection; and, in peace, they will continue to imitate her laws and institutions, and to glory in the proud distinction of British citizenship. On her part, England may well be prouder of the vigorous freedom of her prosperous sons, than of a hundred provinces subject to the iron rule of British pro-consuls. And, should the sole remaining ties of kindred,

affection, and honour be severed, she will reflect, with just exultation, that her dominion ceased, not in oppression and bloodshed, but in the expansive energies of freedom, and the hereditary capacity of her manly offspring for the privileges of self-government.

I do not think I exaggerate when I say that these were then the prevailing sentiments among the governing classes of England, and confederation was made possible as between French and English, as stated by the leader of the opposition (Mr. Guthrie), and possible, as well, as between the daughter state and the motherland, just because that spirit prevailed. There was no fear expressed on the part of Great Britain because Canada would one day reach her full-fledged independence; and instead of opposing that spirit there was a feeling of pride in seeing the daughter look forward to a future just as glorious as the past of the mother country had been.

Two or three years afterwards the government of the province of United Canada undertook that very task which was considered by May, and by the English government, as the last step to be taken by a colony to become absolutely independent of the mother land: I mean the organization of its land defence. England reserved to herself the control of foreign affairs—the root cause of all wars and difficulties with foreign nations—and also the full and exclusive responsibility for the external defence of Canada by sea, the colony undertaking the defence of her land. That was the basis upon which confederation was consummated. Twenty years later, at the first Imperial conference, when for the first time this new policy of imperial coöperation was raised, Sir Alexander Campbell, the representative of the Canadian government, reminded the British ministers and the representatives of Australia, New Zealand and Cape Colony, as it then was, that the agreement which had been concluded between Canada and Great Britain was that Great Britain, by reason of her position as a world power, was bound to defend Canada on the seas at her own expense, while all that Canada had pledged herself to, as a consequence of her full internal independence, was the organization of the defence of her territory. And he repeated there and then that upon that basis confederation was entered into. If the leader of the opposition is so much concerned, as he evidenced this afternoon, about the preservation of confederation in its entirety, if he wants to preserve untouched the principles of the federal pact as between the various elements of Canada, he should also be in favour of the resurrection of that policy under which Canada would have no responsibility for any of the imperial enterprises of Great Britain as a consequence of her situation as a world power.

I took the trouble to collect some authorities to prove that throughout the course of our history since confederation until the last war, there has never been expressed in England any doubt as to the potential independence of the self-governing dominions nor as to their right to assert that independence completely at any time they may see fit. Let me quote at random an opinion of Sir Frederick Pollock, who surely was not a revolutionary radical. I have not the date, but I know that it was a good many years after May—because I remember having met Sir Frederick Pollock—that he said:

> Leave the conventions alone and look at the facts, and you find that the self-governing colonies are, in fact, separate kingdoms, having the same king as the parent group, but choosing to abrogate that part of their full autonomy which relates to foreign affairs. . . . The sovereignty is a figment; the states of the empire stand on an equal footing.

Take next the opinion of Mr. Joseph Chamberlain, whom nobody has ever charged with a tendency to disrupt the empire. In the year of the queen's jubilee, at a time when so many opinions of varying shades were being promulgated, he declared most positively in a speech delivered at Birmingham on June 21, 1897:

> The throne is the only constitutional connecting link between the colonies and ourselves. In all else these great self-governing communities are as independent as we are.

A good many years later a statesman whose name has been frequently mentioned in this debate, Lord Balfour, or, as he was at that time, Mr. Arthur Balfour, leader of the Conservative party in Great Britain, writing to The Times on February 1, 1911, said:

> I believe, from a legal point of view, the British parliament is supreme over the parliaments of Canada or Australia, or the Cape or South Africa, but in fact they are independent parliaments, absolutely independent.

Another Conservative statesman in England, Mr. Bonar Law, at that time Colonial Secretary, speaking in London on September 13, 1916, advanced precisely the same view: "These great dominions are in fact independent states".

It seems to me, therefore, there was nothing to excite public opinion one way or the other when the report came out that this conference had asserted what as a matter of fact has been the unequivocal opinion of all legal and political authorities in Great Britain during the past sixty years. Such surprise as was evinced in the Dominions was due rather to

that state of mind to which Lord Balfour alluded in what I may call the conversation between himself and Lord Parmoor in the House of Lords. Truly, in the dominions, strange to say, people are less prepared for assertions of independence than they are in Great Britain. Just what the cause is I do not know. No doubt it is due in large part to that long state of subjection, shall I say, or protection, at any rate that condition of incomplete nationhood in which Canada and the other dominions have existed for so many years. The most apt comparison I can suggest is the mentality that characterized certain classes among the black population of the southern states during the war of secession. An admirable American writer, the late Thomas Nelson Page, who died as United States Ambassador to Rome, has depicted that spirit in some of his delightful novels portraying life in the southern states during and after the war of secession. Among the slaves attached to the estates of the great landowners of Virginia, who constituted the true aristocracy, the landed gentry of that country, there was a class of slaves who lived permanently with families from generation to generation. The women were the nurses—the mammies, as they were called— to the children of the family, while the men served as butlers, coachmen, and so on. They were splendidly treated, the attitude of their owners to them being in striking contrast with the conduct of the slave owners described by Harriet Beecher Stowe in Uncle Tom's Cabin; and when the war of secession came, although these slaves were not obliged to do so, they were eager to fight for their masters because of the love they bore them. That perhaps was a natural sentiment, but the peculiarity of that psychology was apparent when Lincoln launched his proclamation of freedom. It was most indignantly received by these blacks. They were loath to exercise the responsibilities of freedom. They did not want to earn their living by their own initiative; they wanted to be possessed, to be protected. They wanted to live in that happy state of semi-animal, semi-celestial irresponsibility in which they had dwelt for generations. They were therefore described by the rest of the freed negroes as "quality niggers" with whom they had nothing in common, and both classes detested each other cordially. The modern colonial imperialist who claims that he is free, and that he likes this kind of freedom, but who refuses to exercise more of that freedom, who is afraid of the responsibility which will accrue to him if he has to deal with the constitution and the laws of his country, if he has to discuss racial problems with his fellow citizens, would seem to have some of this "quality nigger" spirit. It is the only parallel I can find in history. To be frank, I must say that that spirit exists in the province of Quebec as elsewhere, and without being personal I can say that of recent days it has received its most vivid expression in the language of the premier of that province who, by the way, has been styled by the Montreal Gazette, knowing something of the matter and of the man, as a Tory of the Tories.

The evolution which is the natural and inevitable outcome of the principle of self-government, was anticipated at the time of confederation not by the radicals and not by the Liberals who opposed confederation, but by the very founders of that confederation. Take the views expressed by Sir John A. Macdonald with regard to the authority of parliament and the relations between parliament and the crown or the representative of the crown, in presenting to the House the Quebec Conference resolutions upon which the Confederation Act was founded. He then said:

> With us the sovereign, or in this country the representative of the sovereign, can act only on the advice of his ministers, those ministers being responsible to the people through parliament.

Without drawing too many red herrings across the trail, I modestly expressed the view last summer that if the late leader of the Conservative party had reminded the late governor of this short passage in our constitutional history, perhaps a good deal of misunderstanding could have been avoided. In a later speech on the same resolution, and in answer to a very able Liberal or Grit representative from Ontario, Mr. J. H. Cameron, Sir John A. Macdonald said:

> My honourable friend refers us to the language of the Constitutional Act to show how limited our constitution is; but by that act we are empowered, in the widest language that could be employed, to make laws for the peace, welfare and good government of the people of Canada. There could be no larger powers conferred upon us, and although it is quite true that our political existence is only statutory—

Mind you, those were only the dawning days of full autonomy

> —that constitutionally our judges have no right to commit for contempt, and that we have no prescriptive rights such as those which the imperial parliament possesses, yet this is equally true—that we stand, with regard to the people of Canada, precisely in the same position as the House of Commons in England stands with regard to the people of England. And no man who values representative government would consent to sit here under a less extensive commission—no man will get up and disclaim the possession of such powers.

Now with regard to foreign relations, although in those days not much thought was given to foreign relations outside of purely commercial treaties, Sir John A. Macdonald, with his broad vision, his keen common sense and his true British spirit, with the smallest dose of quality niggership existing then in the minds of our statesmen, was not afraid of thinking of the establishment of foreign relations. He said:

> I am strongly of opinion that year by year, as we grow in population and strength, England will more see the advantages of maintaining the alliance between British North America and herself.

As you see, he termed the new relation between Great Britain and Canada as one of "alliance;" and to show that by that he did not mean an exclusive alliance, he added immediately:

> Does any one imagine that, when our population instead of three and a half, will be seven millions, as it will be ere many years pass, we would be one whit more willing than now to sever the connection with England? . . . . And, when, by means of this rapid increase, we become a nation of eight or nine millions of inhabitants, our alliance will be worthy of being sought by the great nations of the earth. I am proud to believe that our desire for a permanent alliance will be reciprocated in England. . . . The colonies are now in a transition state. Gradually a different colonial system is being developed—and it will become, year by year, less a case of dependence on our part, and of overruling protection on the part of the mother country, and more a case of a healthy and cordial alliance. Instead of looking upon us as a merely dependent colony, England will have in us a friendly nation—a subordinate but still a powerful people—to stand by her in North America in peace or in war.

That was sixty years ago. The objects which the founders of confederation had in view were first to establish between the new confederacy and the motherland terms of alliance on a footing of equality; then to reserve to the new confederacy the right to have terms of alliance with foreign nations; and finally to confine the military duties of Canada to the defence of her own territory as a portion of the empire, and to come to the rescue of Great Britain in North America, and nowhere else.

Undoubtedly, as was said this afternoon and as has been said very frequently in the last ten years, the participation of the dominions in the last war has hastened that evolution and has brought us nearer the goal which Sir John A. Macdonald had in view together with the other founders of confederation. We were brought nearer in a sense; but there is another point which I wish to make clear and upon which I differ just as much with one leader as with the other. The war has also distracted us from the safe path in which the founders of confederation had directed the course of Canada. While advancing the principle of equality, it also beclouded the issue of our relations with Great Britain and the other portions of the empire. That very sensible English statesman of Canadian birth, not a genius but a man of much common sense, Mr. Bonar Law, pointed out during the war how deeply changed was the basis of relationship between the motherland and the dominions. In the course of the same speech from which I quoted a sentence a moment ago he said:

> So far as the dominions are concerned, this war is being carried on under conditions which never existed in the world before, and which it is almost incredible to believe could have existed now. These great dominions are, in fact, independent states. We could not have compelled a single one of them to send a man or contribute a penny. But they have sent their best, not so much to help us as to help the empire of which they are a part.
>
> These conditions can never occur again. It requires great good-will and good sense on the part of both the dominions and the authorities at home to enable the arrangement to work by which one set of men contribute lives and treasures and yet have no voice as to the way in which those lives and treasure are expended. That cannot continue. There must be a change.

That was in September, 1916. A year previous he expressed the view that "after this war the relations between the dominions and the mother country could never be the same." Every thoughtful man was convinced of that. But what were to be the relations after the war?

Was it possible to combine the spirit of autonomy in a gradual evolution to the point of full independence, as was conceived at the time of confederation, and the new system of so called free coöperation which had developed first during the South African war and had come to its full amplitude in the last war? This has ever since been a directing thought of all British statesmen, whether Tories, Liberals or Labour. Their thought has been: how can we preserve the coöperation of the dominions in time of war, and get rid of them in time of peace? Because after all that is their thought, and a most natural one. In periods of peace, when the British have to deal in their diplomatic relations with all the situations on earth which you can imagine, to negotiate with all governments, they do not care to have the Canadians, the Australians, the South Africans and the Irish accompany them everywhere. In analyzing this report, I thought of the feeling which the British diplomats must have when they see the repre-

sentatives of all sister nations—or as they still say between themselves, "those bloated colonials,"—coming and butting in. They have that kind of feeling which the directors of the British museum would have should half a dozen cattle drovers of the west come with their broncos to inspect their precious collections. I cannot altogether blame them. There is much robustness in the assertion of colonial thought, but there is not always in it that fine appreciation of things and it has not yet developed that scientific way of lying in a gentlemanly fashion so necessary to successful diplomacy. On the other hand, the British wish to preserve the means and the ties by which, in days of strife, they will get the men and the treasure from the dominions to help them in all their imperial enterprises. At the same time, they are prepared not only to grant us but to urge us to take all we can of our self-governing powers. In order to keep us occupied at home, they want to get rid of those political relations which may have been necessary some years ago; they are in just as much if not a greater hurry to get rid of them than we are. So if you take into account that feeling, if you take also into account the circumstances—the peculiar and very different circumstances—under which the representatives of the various dominions have to carry on their internal government and their external policies, you will readily understand that in this conference, as in every other conference, a formula had to be found without any regard to logic, without any regard to harmony of thought and purpose, but in which something had to be inserted to please everybody.

Mr. CAHAN: Without any regard to facts.

Mr. BOURASSA: Yes, to a large degree. I go further. I think I am justified by my knowledge of history in saying that there will never be an Imperial conference, or any political body in which the representatives of Great Britain and the various self-governing dominions meet to discuss various propositions of internal economy or external policy upon which they can agree. If they are bound to agree in formulas they must lie to each other in the expression of their thought, and also lie to the respective peoples; or if they want to tell the whole truth, if they want to express the thoughts and the aspirations of their respective peoples, they must express differences of opinion, because the conflicting interests cannot agree, because the aspirations are not the same, because differences are caused by geographical, historical and economic conditions. And so, if there is an agreement it must be a very loose agreement; it cannot cover the whole field or even a very small portion of the field of the relations which can be established between those various countries.

Let us examine the extraordinary formula contained in this report and compare it with what precedes and what follows it. We are told:

> They are autonomous communities. . . . equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs—

At the same time we are declared to be "within the empire." I never heard of an empire constituted in that manner. The idea of empire, the essence of empire, carries with it the necessity of hegemony of one nation over several other nations. That hegemony may be exercised by force, after conquest, as it was in the old classic example of the Roman Empire; as it is now in the British Empire composed of Great Britain, India, and her other subordinate colonies. Or you may have a federated empire such as the Holy Roman Germanic Empire which lasted from the ninth to the seventeenth century, or again in its new form as founded in bloodshed in 1871 by Bismarck. That was the ideal of Mr. Joseph Chamberlain. That was the ideal he proposed to the free people of Canada and the various dominions, but they would not have it, and here we have the avowal that that process of a federated empire has been found impossible. But then I repeat: If Canada, Ireland, Australia and New Zealand are equal in status to Great Britain and in no way subordinate to Great Britain in any matter of war and peace, how can we form part of the empire? Where is the head of that empire? It cannot be said that it is the Imperial conference. We have had again the statement this afternoon of the Prime Minister, endorsed by that of the leader of the opposition, that that conference has no power of legislation, no power of government. It cannot define, it cannot direct, it cannot accomplish anything, except express opinions one way or the other, very often one way and the other together, then report to the various parliaments, and never ask for any approval; and that is what I like best in the attitude of the government. And yet you tell me this is one empire! Well, no. Of course there still exists a British Empire, the one I mentioned a moment ago, that one composed of England, of India, of all the subordinate colonies, of all the protectorates, of all the "mandated" countries, according to the vocabulary which diplomatic hypocrisy has adopted to define the works of plunder. But of that empire we form no part.

Mr. CAHAN: Or the "quality niggers," you are leaving them out.

Mr. BOURASSA: The "quality niggers" are not in the empire; they are nowhere. Of that empire we do not form part. In the government of that empire we have no influence whatever. In the policy imposed upon the British government by the fact that the British nation possesses one-quarter of the globe, we have nothing to say or do except to coöperate of our own free will when war is declared against her or when she declares war because of the fact that she possesses India, three-quarters of Africa, a large portion of America and most of the scattered islands on the seven seas. Because England, in her devotion to humanity, has been obliged to shoulder the white man's burden to that extent, she is frequently at war. As a matter of fact, that peaceful nation has been more frequently at war than any other in the last hundred years. Then, we are called upon to give our "free coöperation" in support of a policy in the inception of which we have no responsibility, in the conduct of which we have no participation at all, and in the results of which we have no benefits. I claim that those terms are unworthy of Great Britain, of Canada, and of those great men who in Great Britain and in Canada laid down that principle of equality which is now proclaimed to heaven but which is not followed up by acts

If we are not in Britain's empire—and nobody can claim at the present time that we are—is it true that we form part of the "commonwealth of nations," composed this time no more of the empire, but simply of Great Britain and the other self-governing dominions? I am waiting for someone in authority, either on this side or on the other side of the ocean, to define what is a "commonwealth of nations." I have heard of various forms of commonwealths. When Cromwell had beheaded Charles I and taken from parliament the bauble, he changed the definition of the kingdom into the commonwealth of England. When the puritans, not satisfied with the sanctity of the old state not yet regenerated by their brethren, went to Massachusetts to develop a more perfect form of holy government, they called their new country the commonwealth of Massachusetts. The new Australian confederacy calls itself the commonwealth of Australia. In those various forms you have either a united country with one legislature and one executive power, or a confederacy of various provinces who agree to give up some of their powers of execution and legislation in order to form one commonwealth. The word in itself tells us it is "wealth or weal put in common." How can you call by the word "commonwealth" a gathering of nations who claim that they are absolutely independent one of another; that they have the same equality of status; that none of them is subordinate to another? Of course you can call that a commonwealth because you can always adopt any word you like, but it does not correspond with anything in history or in constitutional law of which I have ever heard.

Our very learned, logical and distinguished jurist, Mr. Ewart, has had no trouble in demonstrating how that title, if anything is meant by it, cannot correspond with the claim that has been made of equality of status. I observe that one of his contradictors opposed to him the authority of Mr. Zimmern, undoubtedly a high authority on these matters, because Mr. Zimmern has made use of the expression "commonwealth of nations". He has made use of it just as, I suppose, somebody might use the expression "The king of Canada" in reference to our Prime Minister. Supposing that expression had been in use for six months, nobody, not even the right hon. gentleman himself, would believe he is the crowned head of Canada. In like manner Mr. Zimmern has spoken of the commonwealth of nations; but when he came to define the basis of the relationship between England and the self-governing dominions, how did he do it? This will be found at page 42 of his very valuable work, "The Third British Empire":

> The British Empire at the present moment is living under two distinct regimes. It has, as it were, an old skin which it is engaged in casting and a new skin which is forming as fast as the old disappears. . . . We have seen that since the war Great Britain has conceded to the dominions the right of separate membership in the League of Nations, the right of a separate diplomatic system, the right of separate negotiation and signature of treaties, and the right to decide for themselves the issues of foreign policy, including the question of peace and war.
>
> What is the situation resulting from the concession of these rights? Let us face the fact that, viewed coldly, the resultant political entity is something looser than a sovereign state, something looser than a confederacy or even an alliance, because no written bond exists between the dominions and Great Britain or between the dominions themselves. It is in fact more accurately described by the word "entente". The British Empire of 1914 has become a British entente, a group of states, each independent and with full control over its policy, but bound together by cordial feelings and by arrangements for mutual consultation at more or less regular intervals.

This is the construction which this learned authority put, even before the Imperial con-

ference, upon the constitutional relations between Great Britain and the dominions. I ask myself: Has the declaration of the Imperial conference changed this? If it has not, if in fact the relations between Great Britain and Canada, not to speak of the other dominions, are as they were seen by this clear-sighted constitutional authority before the conference, has the conference altered that to authorize the British government, or the Canadian government, or the Australian government, to say that we are no more an entente of British states, but that we have become a commonwealth of nations? If it has, then we ought to know it.

Another expression which is contained in that definition and which I think is not according to the facts is that we owe a "common allegiance to the crown." It is sufficient to compare a couple of articles of our constitution and of the constitution of Ireland, the latest in that magnificent development of self-government in the British dominions or in the countries allied to Great Britain, to realize how fallacious it is to say that there is common allegiance to the crown. Of course if what was meant was the allegiance of individuals, there might be some justification; but evidently what was meant was the allegiance of those nations to the crown. I claim that at the present time there is not a parity of allegiance between the various dominions. In our constitution it is expressly stated by article 9:

> The executive government and authority of and over Canada is hereby declared to continue and be vested in the queen.

In the constitution of Ireland article 2 reads:

> All powers of government and all authority, legislative, executive, and judicial in Ireland are derived from the people of Ireland and the same shall be exercised in the Irish Free State (Saorstat Eireann) through the organizations established by or under, and in accord with, this constitution.

Thus we have the source of all power defined by constitution as being in the one case in the person of the sovereign, or in the crown, and in the other in the people of the country. Of course I admit that in practice this has come to the same thing. With the exception of perhaps a few antiquated Tories in this country who think that the king or his representative could have something to do personally with our government or our legislation, nobody would oppose the principle that all powers of legislation and execution are derived in fact from the will of the people. Nevertheless, if our constitution is to remain untouched, as the leader of the opposition claims it should, then we have to acknowledge that all powers in this country are derived from the crown, whereas the crown has acknowledged that in Ireland all powers are derived from the people.

Now, take the oath of allegiance. In our constitution it is very simple. It is an oath of personal allegiance to the king—"I do swear that I will be faithful and bear true allegiance to Her Majesty Queen Victoria." In Ireland the oath is drastically qualified. Here is their oath:

> I. . . . do solemnly swear true faith and allegiance to the constitution of the Irish Free State as by law established, and that I will be faithful to His Majesty King George V, his heirs and successors by law—
>
> Not because he is king, no, but—
>
> —in virtue of the common citizenship of Ireland with Great Britain and her adherence to and membership of the group of nations forming the British Commonwealth of Nations.

So that in Ireland it has been declared in the constitution, as accepted by the British parliament and the British king, that the allegiance of the Irish nation to the king is subordinated to the constitution, and to the adherence of both countries, England as well as Ireland, to the terms of the constitution and the terms of the treaty entered into between the two nations. Surely you have there an example of the tremendous progress which the principle of self-government has made, and therefore how can it be said that we form part of one commonwealth of nations united by one common allegiance to the king? In fact, if logic had presided over these deliberations, the formula that would have justified those cries of triumph or anger we heard all through the months of November and December, would have been expressed somewhat in this way:

"Great Britain, Ireland, Canada, Australia, New Zealand and South Africa are autonomous communities equal in status, in no way subordinate one to the other in any aspect of their domestic or external affairs, though united by their allegiance to the same crown and freely associated on such terms as they determine from time to time between themselves."

Such a formula would have corresponded with the claims put up by the upholders of equality of status, but it surely does not correspond with the formula that has been adopted, and why? Because this would have been accepted by the Irish; it would have been accepted by the South Africanders; it would have been putting the stamp of the conference upon the principles laid down by General Hertzog at Stellenbosch, last summer,

when he was preparing his conference program, and also upon the statement he made to the London press when he arrived in England. But it would have been opposed by Australia and New Zealand; and naturally, the British government, desirous of pleasing all the daughters of the empire, and also of taking the best advantage of the situation, found a formula which gave sufficient satisfaction for the time being to the Irish and the South Africanders; it appeased also the fears of the Australians, and at the same time made it possible for the British government in the next war again to count upon them all coming to her rescue if she has need of their help. It was very cleverly done, I admit. Once more the British have proven that they are masters of modern diplomacy. I admire them for it; but as a Canadian, believing now, as I did last fall, and previously, in the principles laid down at the time of confederation, I am bound to say that the declarations of that conference do not come up to the hopes of those who had expected that for once in the history of these conferences there would be something of the old nationalist spirit as was expressed by Sir John Macdonald sixty years ago.

Now how was the unanimity achieved? I do not know; I was not there, and we have no report. In fact, in order that I should not even be tempted to be indiscreet I fled from London the moment the conference began; but I had been there long enough to know a little of what was going to happen. How was the unanimity achieved? I think it can be easily found out from the report. First, the title of the king was changed to satisfy the Irish. My Irish friends know what sympathy I have with them and their country, but I am bound to say in all frankness that our Irish friends are a good deal like our French-Canadians —they are very often too apt to be content with words. However, they were very glad to be able to go back home and show what they had accomplished at the conference, to show that Ireland did not form part of the United Kingdom any more. But what surprises me is that the other dominions—no, not the other dominions, the dominions, because Ireland is not a dominion; Ireland does not acknowledge it is a dominion; Ireland asserts that it is a nation. Now if there is equality of status, if we all stand alike, are we a nation in the same sense that Ireland is? How is it that Canada, and Australia, and South Africa, were not put in the same position in relation to the king that Ireland was put in? I do not attach much importance to titles, but being given the other circumstances it is significant I think that the special position of Ireland in that so-called commonwealth has been acknowledged in the title of the king, whilst Canada, Australia and South Africa remain with the rest of the subordinate colonies in the general classification of dominions. Let there be no error. We call ourselves self-governing dominions, but by his title the king and his ministers are obliged to consider us exactly as they consider the black tribes of Africa, because we form part of the empire; we are among the dominions of the king, not the dominions that are masters of themselves, but the dominions that are possessions of the king. We all know that the good king would not attempt to put us in his trousers' pocket; but if his title were to correspond to that great declaration of equality of status, why are not we self-governing dominions put in exactly the same position as Ireland?

I come next to the status of the governors general. That, I think it can fairly be said, was a bouquet presented to the Prime Minister of Canada by the British government in a delicate manner to congratulate him on his latest victory in asserting the right of the people to determine their fate according to their wishes, and not according to the wish of any governor. I was very glad to have this afternoon the expression of opinion of such an authority on this question as Doctor Keith. I thought when I read the correspondence exchanged between the Prime Minister and the late governor that, apart from the desire of pleasing the right hon. gentleman, perhaps the British also wanted to put any future governor in a position where it would not be possible to repeat the experience through which the late one passed. Well, suppose they did; it was a wise thought. Anyhow, that is one matter clear. There will be no such discussion in the future. No governor will henceforth be put in the position of anguish in which I am sure his late Excellency was put when, in his no doubt sincere desire to do his duty, he thought that relying on the advice of Mr. Meighen instead of Mr. King was probably the best service he could do the country. No future governor will be put in this very anxious position, and the Governor General will be consoled with the thought that he is placed in the very same position which the king occupies in England, which will be best for all concerned.

With regard to foreign representatives, there you can see an evidence of the desire of the British ministers to please at once Canada and Ireland. They acknowledged, and they had the whole conference acknowledge, the right of the dominions to be represented in foreign countries by their own envoys. Of

course, the British ministers took the precaution to add a couple of very modest lines, saying that where we had no such special representatives we acknowledged that our interests should continue to be looked after as they are now. In other words, Canada, in the exercise of her independence, has relations with one country; in all other countries in which she may have interests she is represented still by British plenipotentiaries. Which shows there is still a little difference between the exercise of our sovereignty and that which the British government exercises.

Another matter which was evidently placed there to please especially the Irish was the power of the dominion governments to grant its exequatur to foreign consuls. I know that was a matter in which the Irish government was much concerned, and they had no difficulty in securing this recognition.

So in those matters of form there was evidently a desire on the part of the British representatives to do all they could to please the colonials. I call them so because it is more convenient. It is an old word, and the change in fact has not been such that I think it absolutely necessary also to change the word.

With regard to those matters of internal government that have been referred to both by the Prime Minister and the leader of the opposition, undoubtedly there was a keen desire on the part of all to bring this portion of our legislative and executive powers in harmony with the new definition of equality of status. At the same time—and I do not blame the conference for it—it must not be forgotten that as a matter of fact nothing has been accomplished. Notwithstanding the resolutions that were passed with regard to disallowance, reservation, extra-territorial jurisdiction and the operation of the Colonial Laws Validity Act, the leader of the opposition has time to prepare himself for the calamity which will come to us when we are free, because those things have been simply referred to a subcommittee. To whom the subcommittee will report we do not yet know; but I think everybody is in agreement that anything that can be devised by that subcommittee will become law only when it has been legislated upon by the various parliaments concerned.

Now, with regard to the power of veto, it is easy to find out that as a matter of fact there has not been any change. At least that is the opinion of the Prime Minister of England because, when on November 25 last he was asked what had become of the power of veto, he said:

> This aspect of the position of the governors-general was not dealt with in the report of the committee on inter-imperial relations, and I am not aware that any change is contemplated.

Sir C. Kinloch-Cooke: Is there any change in the right of veto?

The Prime Minister: No change that I am aware of.

So there is quite a little difference of opinion between the leader of the Tory government in England and the leader of the Tory party in this country with regard to the actual change in the veto power of the Imperial parliament; but as the hon. gentleman has pronounced himself in favour of the suppression in law—as it is suppressed in fact—of both the power of disallowance and the power of reservation, I will not insist on this point.

With regard to control of our merchant shipping, it has been the subject of correspondence, of exchange of views, of protests between England and the Dominion not only since the birth of confederation, but ever since we have pretended to exercise some jurisdiction over our trade on the high seas. I do not see that it has been much advanced, but at least this time it has been referred to a sub-conference. So there again the leader of the opposition need not be afraid: we are not yet freed men; we are still in our position of quality niggers.

As to appeals to the Privy Council, upon that point the hon. gentleman has made a very interesting pronouncement and one which certainly challenges the attention of all members of this House and all other true Canadians. He has connected with that the whole question of inter-provincial relations and of minority rights with regard to education—I suppose he had that in his mind—language and other privileges, or rights, as we call them, which we French-Canadians and Catholics claim to have under the British North America Act. But we claim them also under a longer, a more enduring and a more important title—that of the birthright of the founders of this country and of the population that has made possible a Canadian nation, not to be absorbed into the great American commonwealth to the south of us.

I am not going to discuss the question of appeals to the Privy Council from the legal point of view; I leave that to the gentlemen belonging to the legal profession. But with regard to the opinion of the province of Quebec, I am bound to say in the most friendly spirit to my hon. friend the leader of the opposition, that if he thinks the sentiment of Quebec is reflected by those papers from which he read extracts, or even by the premier of the province, he is entirely mistaken. Not all, but most of those papers are morally in the hands of—no, morally they are no-

where; but they are financially in the hands either of some people that are very little preoccupied with minority rights, or in the hands of advertisers who of course appreciate very much the money of the French-Canadian population, as clients, but care very little about their constitutional rights. As for the premier of Quebec, of course he is a very learned and able gentleman, and a clever lawyer. He has been a successful politician for many years. But upon matters of this nature the leader of the opposition can rest assured that the premier of Quebec does not represent the feelings, the aspirations or the thoughts of the province, and especially of the younger generations growing up there. The definition that I mentioned a moment ago is sufficient to explain why Mr. Taschereau cannot represent the views of Quebec. Of course, as I have said, he is a very clever and able man; and he has kept for his government and his party the title of Liberal, because whatever bears the stamp of Toryism or Conservativism cannot show itself for some years in the province of Quebec. But in mind, in policy and in principle, the Montreal Gazette—which is a far better authority and especially an older one on Toryism than the leader of the opposition—perfectly described Mr. Taschereau when it called him "A Tory of the Tories." In fact he is far more of a Tory than two-thirds of the Conservative members in this House, and he still has in his mind the idea that the throne, the Privy Council, the intervention of Great Britain may be our salvation. He has had a few people to express the same views. To every one of those, not only now but for twenty-five years past, I have put the question: Show me one instance in which the power of England has been exercised effectively to protect us, either by way of legislation, by way of disallowance, or by judgment of the Privy Council? Mind you, I am not saying this in any spirit of animosity towards the British government, the British people or the Privy Council. On the contrary, I am giving this as testimony of their good faith; for it is evident that once they acknowledged Canada to be a free autonomous country they could not see the necessity for any section of the Dominion going across the ocean every six months to ask the British government to intervene in the internal affairs of Canada or to put our own house in order.

The leader of the opposition (Mr. Guthrie) has spoken of the great danger of disunion which might arise in the future if we were free to deal with our constitution as we saw fit and to abolish appeals to the Privy Council. Let me discuss for a moment the question of appeals to the Judicial Committee of the Privy Council. I remember an instance in which the Privy Council gave judgment in favour of a French Catholic minority. This was in the second case in connection with the Manitoba school question, and I can mention it now seeing that the learned old gentleman to whom I refer has gone to his reward. Lord Herschell told me once in the presence of others—it was not confidential and he was speaking long after the affair—that his great trouble in framing the second judgment in the Manitoba school case was not to discover the truth and to render judgment accordingly, but to couch the judgment in such terms that there would be no contradiction between it and the first judgment, and consequently no diminution of respect for the Privy Council. A very pious desire undoubtedly, but one which certainly shook my faith in the infallibility of that tribunal.

As regards the high and distinterested judicial discernment of that body, I might cite another instance connected with minority and provincial rights. I refer now to a case of marriage in Quebec which attracted some attention in that province, but a great deal more in Ontario, which was not concerned with it. The paper edited by my hon. friend from Toronto West Centre (Mr. Hocken) discussed the case at considerable length, keeping it before the country for months. Money was collected in all the Orange lodges with a view to having the principles of liberty vindicated before the Privy Council as against domination on the part of the Romish church. The funny thing is that the two parties concerned were a young man and a young girl who had married in the province of Quebec. They were two Catholics and after their marriage they found an obstacle in their way. There was a mother-in-law in the case and because of her they separated for three or four months. They then appealed to the canonical tribunal who, taking the facts as they were, declared the marriage to have been null and never to have existed. In the meanwhile the mother-in-law had the good sense to go to her reward or her punishment, as the case might be, and the two parties got together again and married. The Orange lodges were still much concerned about the matter and they spent a great deal of money, hiring some of the most learned counsel in London to plead the case. The argument was heard in full before the Privy Council, and to the great surprise of counsel representing the canonical tribunal, he received, some weeks after the case had been heard, word that Their Lordships wanted to hear it once again because they had not been

satisfied with the plea. Meanwhile Lord Cave, later on or previously Lord Chancellor, came to Canada and inquired in various quarters —I have my information at first hand in this regard—whether a judgment for or against the parties concerned would cause greater trouble among the Catholics or among the Protestants, and therefore he wanted to know in what way that high impartial tribunal should give judgment.

The Privy Council is a magnificent tribunal in itself, but as everyone knows it is essentially a political body. In matters where no political issue is at stake I believe they apply strictly judicial principles.

Mr. BENNETT: I rise to a question of privilege. In my opinion, attacks on living members of the court of last resort in the British Empire are out of order in this parliament.

Mr. BOURASSA: Well, Mr. Speaker, I have done with that question. But I wanted to bring forward some arguments to prove that after all opinions must be formed not only on great formulas and declarations but also on facts; and I desired to show to this House that, in the province of Quebec as elsewhere, there are reasons for desiring the abolition of appeals to the Privy Council. There are people who, not being barristers, have no interest to go yearly to London at the expense of their clients, people who, not being members or directors of great companies, have no interest in discouraging the small pleader, the labourer who seeks compensation, the widow who claims some small amount in damages, from taking the opportunity of having their rights vindicated. Because there are clever lawyers who can advance constitutional arguments or questions of future rights and all the rest of it, the small pleader is dragged from jurisdiction to jurisdiction. I happen to know of a case which occurred in Hull, a poor individual having been killed by a railway engine. The company was sued by his dependents and judgment was given in their favour by the superior court, by a majority of the court of review, by a majority of the court of appeal, and finally by a majority of the Supreme Court of Canada. Appeal was taken, however, to the Privy Council and the claim was disallowed. Judgment was rendered against the plaintiff, the astute lawyers of this great company having found that there was a constitutional issue, which resulted in this poor devil having to pass through five jurisdictions.

Mr. BENNETT: I recall the case against the Hull Electric and I may say the decision was precisely the opposite. The judgment of the Privy Council went finally in favour of the plaintiff.

Mr. BOURASSA: Possibly; nevertheless there is no sense in dragging a poor pleader in a small case of that nature before a tribunal outside of this country, a tribunal which cannot conceivably be as well versed in our municipal and civil laws generally as our own Supreme court and which can know much less of the facts than our own judges.

There was another case the details of which I know perhaps more intimately than my hon. friend. This was the case of a disagreement between a farmer in the province of Quebec and the Canadian Pacific Railway. This farmer was represented by the law firm of the then premier of the province. Compensation was claimed under the civil law, while the company claimed powers derived from the parliament of Canada on the ground that it was engaged in a work for the general advantage of Canada. There was a constitutional issue at stake. In order to make sure that they would get judgment in their favour the company paid the claimant the full amount of his damages upon receipt of a signed agreement that he would not appear in the appeal. The case was taken to the Privy Council—this time I am sure of the facts—and there adjudicated upon, and judgment was given in favour of the company in what was practically an ex parte case. This is the situation. Surely then, in face of such facts, it will not be contended that appeals should be taken to the Privy Council, merely for the protection of minorities, especially when one thinks that in such cases there is no sanction.

I repeat, I do not blame the Privy Council for not seeing to it that on constitutional questions their judgments are not enforced. Does the leader of the opposition or any other defender of minority rights, beginning with the hon. member for Frontenac-Addington (Mr. Edwards), claim that the King of England should send a regiment to force Catholic schools upon the province of Manitoba, for example, in consequence of the judgment rendered in 1894? The leader of the opposition has spoken of the possibility of the French language being abolished in this House. The French language is guaranteed by the Manitoba Act just as firmly as it is guaranteed in the British North America Act; but it has been abolished by the legislature of that province in violation of the constitution; separate schools have been abolished in Manitoba in violation of the most solemn

promises given to the minority. One judgment has been rendered by the Privy Council; it has not changed the position, and I repeat that the reason is because there is no sanction. We of the province of Quebec, the living men of to-day and of to-morrow, do not want to rely indefinitely upon a so-called protection of this nature. We are manly enough to be prepared to discuss in the future with our fellow citizens of Canada, whether Protestant or Catholic, whether French or English, whether from the west or from the east, every one of those rights which we claim to be ours, not because they are contained in a few articles of law in a printed book, but because we know that in the hearts of all right thinking Canadians there is a desire to see that justice is done. And if we are to maintain that unity of which the leader of the opposition has spoken, it is not to be done by declarations of law or the adjudications of a tribunal either in Ottawa or in London, but by the desire of all thinking Canadians to maintain the spirit of confederation and the constitution of Canada.

So, Mr. Speaker, I for one do not think we need be afraid that our constitution is going to be affected because of this involved and very obscure report of the last Imperial conference. Everyone is agreed upon one point; it did not pass laws and could not pass them; it did not amend our constitution and could not do so. Therefore the fact that we discuss the report to-day does not mean that we agree to it; on the contrary, it would have been impossible for the Prime Minister or the leader of the opposition or any member of this House to bring forth a concrete resolution either to adopt this report or to set it aside by a formal declaration. You could not do that without disallowing some things in which you believe or approving some things to which you do not agree. It has been framed in such a way that every one can take something out of it but no one can take the whole of it, and I think that is what Lord Balfour meant. I do not want to be too hard; I do not want to leave the impression that there is nothing in the former part of the report to satisfy those who aspire to freedom, who look upon full-fledged independence in time to come as the only outcome for a self-respecting people of various origins but united upon the basic principles of British liberty; I admit that in these declarations there is a slight advance towards that goal. But no one need be afraid; for my part I am prepared to be patient. I am not in a hurry to sever relations with Great Britain, but I think we should take out of that report those ideas which are encouraging to that fast-growing number of Canadians who aspire to be Canadians first and last; who aspire to stand by Canada in its relations with foreign countries and also in its relations with other British countries, as Liberals and Conservatives did some sixty years ago. The Canadian spirit has not yet been destroyed by the new imperialistic doctrine borrowed from Prussia by Mr. Joseph Chamberlain. I think those who have kept that ideal, both Canadian and British, will find some consolation in this report because, as the Prime Minister said, for once at least all the representatives of the self-governing portions of the empire have agreed upon certain principles which will be the landmarks of our advance towards the goal which we have in view.

But with regard to foreign relations and matters of war, not only has there been no progress but there is a marked retrogression even from the conference of 1923, and it is there that I find the triumph of British diplomacy; or rather I should say of Tory imperialist diplomacy, because it must not be forgotten that at present England is governed by a Tory imperialist government. I felt somewhat scandalized this afternoon when I heard the Prime Minister shelter himself under the maternal wing of good old Lord Balfour. I would not have thought that the grandson of William Lyon Mackenzie, fresh from his victory over the combined forces of imperialism, Toryism and colonialism, would have looked upon Lord Balfour as his angel guardian in these matters. I think, however, the right hon. gentleman did not do it so much to express his own thoughts as to perhaps throw a little confusion into the consciences of hon. gentlemen opposite; but he would be better to not do so. I think he has not, I have not and no one has found the way into the conscience of some at least of these hon. gentlemen; and he would do better to appeal to the feelings of his own friends, to the growing spirit of Canadianism in this country. That is the advice of a disinterested friend.

In that report, let us see how Lord Balfour prepared that scientific combination of the principle of equality of status with the exercise of sovereign powers in foreign affairs:

> Equality of status, so far as Britain and the dominions are concerned, is thus the root principle governing our inter-imperial relation. But the principles of equality and similarity, appropriate to status, do not universally extend to function.

Now we begin to have the fine distinction:

> Here we require something more than immutable dogmas. For example, to deal with

questions of diplomacy and questions of defence, we require also flexible machinery—machinery which can, from time to time, be adapted to the changing circumstances of the world. This subject also has occupied our attention. The rest of this report will show how we have endeavoured not only to state political theory but to apply it to our common needs.

In the House of Lords, when questioned by Lord Parmoor,—whose authority I would rather accept, not as a Liberal but as a Canadian with Liberal tendencies, than that of Lord Balfour,—Lord Balfour defined the situation in the words quoted by the Prime Minister this afternoon, practically the same words as used in this report, but a little clearer. There were no colonials there, so he thought he could speak a little more openly, I suppose. He said:

> There cannot be, of course, equality of function in this empire. That must depend on the circumstances of the moment. At the moment and for many years to come—many, many years to come—

Let the leader of the opposition think of that when he foretells the revolution that is coming so soon.

> —the main burden of defence must necessarily fall upon this country. For many years to come—perhaps for an indefinite period—owing to our geographical position, the leading part, and at present by far the most important part, of the conduct of our foreign affairs must also fall on this country.

Now in explanation of this, in the same passage a part of which the right hon. gentleman read this afternoon, he added a quotation from his previous declaration before the conference, in the month of July:

> Personally I think the duties of all the other members of the empire to us are not less than our duties to them, but as to the particular conditions under which that great duty is to be exercised, I do not believe anything is gained by inventing hard cases beforehand.

Now, Sir, let us reduce that to common human language as used in the colonies, and in the light of past experience. What does it mean? It means that while acknowledging in right and in fact to the self-governing dominions all the powers of internal government they wish to exercise, while acknowledging to them the right to exercise their independence in external affairs when they wish to do so, Great Britain claims, in a delicate and careful manner, on account of her geographical position, the right to conduct the foreign affairs of the empire, and counts upon the dominions to give her their free coöperation when she has need of it in diplomatic affairs but mainly in war operations that may follow a rupture of diplomatic relations. That has been the whole history of the relations between Great Britain and the dominions ever since the South African war. Now the question is: Are we going to go back to the basic principle of the policy enunciated at confederation time? That is, are the duties and responsibilities in regard to war matters to correspond with the duties and responsibilities with regard to the conduct of world's policies? The leader of the opposition was told during the debate on the address that he had confused equality of status and equality of stature. But that is not the distinction that is made by Lord Balfour, that is not the distinction that is made by leading imperialists in England. It is a difference between status and function. And what do they mean by "function"? They mean the right, and quite properly so from their point of view, to initiate and conduct all foreign relations; they mean the full liberty to deal with those relations according to the situation which England occupies in the world, not only as a European power in her dealings with continental nations—with France, Italy, Germany, Spain, Greece, Poland or other countries—but also her dealings with the great powers of the world on account of her position as the vastest empire that has ever existed, an empire which brings England in constant difficulty with one nation or the other. Now I ask every true Canadian in this House: are we responsible as a people for that situation? What responsibility have we for the conquest of India by England in the eighteenth century? What responsibility have we for the adoption by modern England of the policy propounded by Cecil Rhodes of painting Africa in red from the Cape to Cairo? What responsibility have we for the fact that England at the present time believes she is bound to remain mistress of the seven seas? It is said at times: Oh, but Great Britain with her mighty power protects us. How, and why, and from what danger? In that partnership of free coöperation, of coördination of forces, that has been laid down in this last conference, and upon which we are told all the representatives of the empire have agreed, what are the relative positions of the partners? There you have Great Britain, the mightiest power on sea, and in some respects on land, that exists to-day—the power that was to a certain degree the cause of the last war, not because she wished it, but because her situation in the world forced her in this instance as she has been forced, or believes she was forced, in every instance during the last three centuries, to curb the power of any nation that threatened her supremacy on the seas as well as her commercial supremacy. Are we responsible for that? England has carried out wars, and has

won them to a large extent, to maintain her supremacy on the seas. We are told that that supremacy is our protection. I ask again: Ever since the one hundred and sixty years that Canada has been a British possession, when has a gun been fired by England for the defence of Canada because of a Canadian cause? When has a British vessel set to sea to go and meet some enemy of Canada aroused to anger by some action of this country?

Mr. LADNER: What about the events of the war of 1812?

Mr. BOURASSA: The hon. gentleman is simply anticipating my argument. It is said that England in her dealing with foreign affairs, in her war preparations has to take into account her geographical position, her supremacy—

Mr. BENNETT: I rise to a point of order. It is not competent under our rules to attack in this House a friendly power.

Some hon. MEMBERS: Oh, oh.

Some hon. MEMBERS: What is the point of order?

Mr. BENNETT: The point of order is this. We have a rule that it is not competent in this House to attack a friendly power. If England a friendly power, is to be attacked in this way and made responsible for war I ask the chair for its ruling.

Mr. BOURASSA: On the point of order I wish to say that I am simply arguing—

Mr. BENNETT: There is a point of order raised.

Mr. BOURASSA: I have a right to speak on the point of order. The hon. gentleman is not yet the kaiser of this House. He may become the kaiser of the Tory party next fall but even when he occupies that position there will still be some freedom of speech in this House; I can tell him that. I was simply developing the circumstances—historical, geographical and political—in which Great Britain finds herself to-day, and if the hon. gentleman had been patient enough he would have seen that I was preparing to render to the British government and the British nation a much more thoughtful and reflective homage than he has ever thought of doing by simply worshipping, in words at least, English power while dealing with American financiers.

Mr. BENNETT: Mr. Speaker, the hon. gentleman has made what he says is an observation on the point of order. He says the point of order is raised upon his "homage"

to England. I rise to direct the attention of the presiding officer in this chamber, namely Your Honour, to the fact that an attack has been made upon a friendly power. If we have equal status—and we assume we have—then an attack in this House on a friendly power is out of order and has been out of order from time immemorial. Observations with respect to the member of the House who raises the point of order hardly answer the point of order although they may bring deafening cheers from those who agree with them. The point is: how far shall we in this House permit any hon. member to attack a friendly power?

Mr. LAPOINTE: What did the hon. member for Labelle say which was an attack on a friendly power?

Mr. BENNETT: Did my hon. friend not hear him? It is not the first time this session that this has been said in this House by the same hon. gentleman, and I made up my mind that I would direct the attention of the chair to it the next time it was said. England was held to be responsible for the Great war; English statesmen were being attacked for their attitude and policies towards this country, and reference was made to what we had suffered by reason of the imperial, grasping attitude of English statesmen. The attack was very definitely delivered, but it certainly was an attack that we would not permit to be delivered against a friendly power as, for instance, the one to the south of us.

Mr. LAPOINTE: I am sorry I was not listening to the particular remarks of the hon. member for Labelle. If imperial questions and policies are to be discussed in this House, surely members have the right to criticize as well as approve them.

Mr. BENNETT: To attack measures has always been legitimate, but to attack, in the terms used by the hon. gentleman, a friendly power such as Great Britain, is, in my judgment, wholly without the rules and I have heard Your Honour so rule with respect to individuals. Judges have been attacked in this House to-night. The Lord Chancellor who has to sit in judgment upon our cases has been attacked in this House. He never visited this country while he was Lord Chancellor. He has been held up to ridicule. When I raised the point of order then, Your Honour was not in the chair. I think the point has now been reached when we should call a halt. I am quite content with whatever Your Honour may decide.

Mr. SPEAKER: Rule 19 reads:

No member shall speak disrespectfully of His Majesty, nor of any of the royal family; nor of the governor or person administering the government of Canada; nor use offensive words against either House, or against any member thereof; nor speak beside the question in debate. No member may reflect upon any vote of the House, except for the purpose of moving that such vote be rescinded.

Then some cases are cited under that rule in Beauchesne and Bourinot. I find nothing in the rules and in the proceedings, customs, and usages of the House of Commons whereby a member is prevented from discussing from an historical or even from an appreciative point of view the policy of a friendly power. I do not know that by his remarks the hon. member for Labelle has insulted or libelled the nation which was said by the hon. member to be a friendly power. I am quite sure that it would be out of my power to prevent an hon. member from criticizing or discussing or appreciating the policies of Great Britain or the policies of the government of Canada. Surely if a member was speaking of or criticizing even severely the government of Canada, he would be much nearer home, and yet the freedom of speech which we enjoy in this parliament must go so far as to allow criticism of His Majesty's government in Canada provided that such criticism is made in the proper terms.

Mr. BENNETT: As regards one observation which Your Honour has made, I think you were not in your place presiding at the moment the statement was made which came directly within the rule. It was not merely slander; it was of a type that I shall not describe, in saying that Lord Cave came to Canada and inquired whether a judgment in a given sense—

Some hon. MEMBERS: Order.

Mr. BENNETT: His Honour was not in the chair at the time.

Mr. PARENT: The decision has been given.

Mr. BENNETT: If that is the sense of the government I am content. Let the slander continue.

The SPEAKER: I have been in the chair for an unusually long period this evening. I took the chair at eight o'clock.

Mr. BENNETT: The Deputy Speaker was in the chair at the time.

Mr. SPEAKER: In any case the chair is not supposed to be vacated. I was away for about twenty minutes in order to take a little relaxation, but I heard from behind the chair the remark made by the hon. member for Labelle. It has nothing to do with the present point of order. Even then I did not find that the hon. member had exceeded the rules of parliament. This is what Bourinot says at page 358:

All references to judges and courts of justice and to personages of high official station, of the nature of personal attacks and censure have always been considered unparliamentary and the Speakers of the British and Canadian Houses have always treated them as breaches of order.

I heard the remark. It is true I was not in the chair, but I do not know, if I gathered well what the hon. member for Labelle said, that I would have declared the remark out of order.

Mr. BOURASSA: Permit me, sir, to express my sincere thanks to the hon. member for West Calgary for the opportunity he gave me of taking a little rest. That will also enable me to pursue and to conclude upon the subject with perhaps a little less heat than my young man's temperament has caused me to speak. I was just referring to the position in which England finds herself all the world over on account of her geographical position and as the head of that enormous empire of which we form no part, as regards which we have no responsibility. That geographical position, as I said, puts her into the most difficult position in which any nation has been placed within the memory of man or the records of history. When the hon. member, in his righteousness and zeal for the empire, interrupted me, I was going to say, although in a milder form, things that have been said frequently in the House of Commons of England where everybody is free to appreciate the policies of Great Britain or of Canada or of any other country. There it was pointed out that although by temperament, by desire, the English people are probably to be counted amongst the most peaceful of European peoples; that although they had a wish and a spirit for peace which perhaps no other country, especially among those continental countries which have lived alongside of other nations armed to the teeth for centuries, possesses—and there is undoubtedly a more peaceful spirit in England than there is in every one of the other countries of Europe, excepting of course small countries like Switzerland or Holland,—nevertheless on account of those conditions to which Lord Balfour appealed, in order to preserve to England a predominant and privileged position in the direction of foreign affairs, England during the last century has been brought into more wars of attack or defence, of resistance

or conquest, than any other country on earth. This is the result, not of the policy of one man, not of the thoughtful or wilful direction given to English policy by one party or one government, but of the historical development of the empire.

Every empire is by force based on armament. Every empire is bound to remain armed in order to maintain itself and to resist the aggression of other nations who aspire either to some of its possessions or to rival some of its activities. I have said time and again that, in the governing of that empire, in the direction of the foreign policies directed therewith, the English have shown more disposition to peace, especially after a period of war, than any other great conquering and imperial power. I have testified to that fact time and again speaking in the French language in my own province. During all the years which preceded the war I opposed this false principle of imperial coöperation, because I anticipated what it would lead us to. But ever since the war I have supported the English policy of peace, because England at the present time, and for some years to come, is and will be more interested in maintaining peace in Europe than any other country. She has more at stake. First of all, in her disinterestedness she was loaded with a larger amount of plunder from the last war than all the other countries. She has enlarged her empire by thousands and thousands of square miles in Africa. She has taught Australia, South Africa and New Zealand to found little empires of their own, to grab all the German colonies in their neighbourhood, whether in German West Africa, Samoa, the New Hebrides, or the other German colonies in the Pacific ocean. England consequently finds herself in this position, that in the matter of foreign relations, she has the most difficult part to play. She wants to put Germany on her feet again. She wants to remain friendly with France, and also to curb France's growing military power. She wants to make use of Italy on the side of France against Germany, or on the side of Germany against France, as the case may be. She has endeavoured to play the game between Turkey and Greece, and now between Jugo-Slavia and Italy. She has a hand in every diplomatic situation in Europe and the world over. Therefore, it is not surprising that the British diplomats do not want to see associated with them in every diplomatic step they take, the representatives from Canada, from Australia, from South Africa and from Ireland, who have no direct interest there, and who therefore might be either a useless appendage to British diplomacy, or might become very obnoxious should they offer opinions different from those of the English diplomats engaged in those delicate negotiations. It is therefore not surprising that since the Lausanne affair there has been no tendency on the part of Great Britain to encourage dominion representation in imperial affairs. It is no surprise, then, that in this report everything was done to becloud the issues as they were raised in 1923, and to attenuate the operation of those resolutions adopted in 1923 and ratified by this House last year.

Mr. LADNER: May I ask the hon. gentleman, with respect to Britain's interest in the diplomatic affairs of the continent, would it not be fair for him to add that Britain, in addition to paying her own obligations, has also paid the accounts of the continent of Europe, and is to-day taxing her people more heavily than any other country in the world?

Mr. BOURASSA: I do not see any relevancy in the question. I have never accused England of not paying her debts. If the hon. gentleman will allow me, his interruption has nothing to do with the argument I was making. However, I will not imitate his leader and say I will take no interruptions, although his interruption is absolutely irrelevant.

Mr. LADNER: The hon. gentleman may not see the relevancy, but that is no reflection on the question I am raising. The hon. gentleman has commented in a most critical way on the part Britain is taking to-day in the diplomatic affairs in Europe, and my questions was—

Mr. BOURASSA: Mr. Speaker, I am prepared to stand a question, but not interruptions of this nature. The hon. gentleman is free to make a speech after I have spoken. I will imitate his leader to that extent. If the hon. gentleman's ears are too full of Tory cotton to hear my words, then let him clear his ears and he will understand me. I was, on the contrary, rendering testimony to the genius of British diplomacy, saying that it is ahead of every other diplomatic service in the world. I was saying that on the whole, in spite of the enormous empire that England possesses and rules, she has done more perhaps than any other nation could have done to avoid war, and after war has come, to establish peace. I have just been stating that I have rendered that testimony to British diplomacy, to British policy and British statesmanship, not only in speaking in this

House, not only speaking before English-speaking Canadians, but in my own province, and sometimes to the scandal of some of the Tory associates of my hon. friend in the province of Quebec, who accused me of being a traitor to France because I supported the tenets of English policy as against French policy after the war. I endeavour to view these things, first, from a Canadian point of view because I am a Canadian, and then I endeavour to make use of the little knowledge I have of history and contemporaneous affairs to try and find some principle of justice and equality in these matters, and to endeavour to create in my province and in my country a current in favour of peace and against all war alliances either with Great Britain or any other country.

To come back to the point where the hon. gentleman interrupted me, I was saying that in the conduct of these delicate diplomatic negotiations by which England is endeavouring to establish peace in Europe and be an essential instrument in the establishment of peace between the other countries, she remains the arbiter of Europe. I was saying, and I think the whole trend of diplomacy in the last three years has shown, that British diplomats do not care to have us associated with them. I do not blame them for that; we have no business to be there, but I draw from that the conclusion, as Sir Campbell Bannerman stated twenty years ago, as Mr. Chamberlain stated previously, and as Mr. Asquith stated later on, that responsibility in war hangs together with responsibility in diplomacy. Then England finding that she must conduct her diplomatic service in her own way, I do not see why we should in advance promise her in vague terms armed coöperation in case those diplomatic negotiations should again lead her into war. I simply ask that the principle of justice, of equality of duties and responsibility in function as well as in status, be laid down as the basic principle; and this principle should run, not only in formulae, but in reality as between Great Britain and her daughter states who take pride in the fact that they are just as capable of maintaining the principles of British government as are the people of Great Britain.

To show you how in this last conference the main preoccupation was to modify those resolutions of 1923, first let me refer to the general principles which the sub-committee on foreign affairs discussed. The report says:

> We went on to examine the possibility of applying the principles underlying the treaty resolution of the 1923 conference to matters arising in the conduct of foreign affairs generally. It was frankly recognized that in this sphere as in the sphere of defence, the major share of responsibility rests now, and must for some time continue to rest, with His Majesty's government in Great Britain.

Therefore, there is no equality of status there. This is the passage that was read by the Prime Minister this afternoon, or at least I think he made allusion to it. Then, in another part of the report, reference is made to the power of initiating negotiations:

> When a government has received information of the intention of any other government to conduct negotiations, it is incumbent upon it to indicate its attitude with reasonable promptitude. So long as the initiating government—

I think this means the British government

> —receives no adverse comments and so long as its policy involves no active obligations on the part of the other governments, it may proceed on the assumption that its policy is generally acceptable.
>
> Where by the nature of the treaty it is desirable that it should be ratified on behalf of all the governments of the empire, the initiating government may assume that a government which has had full opportunity of indicating its attitude and has made no adverse comments will concur in the ratification of the treaty.

Further on it is stated that:

> The making of the treaty in the name of the king as the symbol of the special relationship between the different parts of the empire will render superfluous the inclusion of any provision that its terms must not be regarded as regulating inter se the rights and obligations of the various territories on behalf of which it has been signed in the name of the king.

Now, Sir, what is to be deduced from this statement? That every time the British government initiates negotiations it is suppposed to inform the various dominion governments; if those governments do not immediately enter protest with the British government, or do not disclaim any responsibility in the negotiations, and if the arrangements which may be entered into by the British government are signed by the king as the symbol of the relationship defined in this paragraph, then all the dominions that have not protested are supposed to acquiesce in the result. In other words, in every treaty or diplomatic arrangement made by Great Britain from which we are not specially excluded, as we were from the Lausanne treaty, and from the Cannes arrangement between Mr. Briand and Mr. Lloyd George, we are included by tacit consent, if this language means anything at all. Well now, this is contrary not only to the spirit of the resolutions adopted in 1923, but it is in direct contradiction to the resolution that was voted here last summer. Because after we had ratified those resolutions of 1923 defining the conditions under which treaties were to be negotiated either by one

part of the empire, or by the whole empire, or by one portion of the empire in the name of the rest, we had this added:

This House approves of the procedure proposed for the negotiation, signature and ratification of treaties and conventions, and considers further that before His Majesty's Canadian ministers advise ratification of a treaty or convention affecting Canada, or signify acceptance of any treaty, convention or agreement involving military or economic sanctions, the approval of the parliament of Canada should be secured.

I hope the Minister of Justice will tell us if in the sub-committee of which he was the chairman, and in the discussions either of the general committee or of the conference at large, reference was made to this resolution as adopted by the parliament of Canada on June 21 last. It is certainly very important for us to know whether or not the British government and the other dominion governments have been informed of the unanimous decision rendered last summer by the parliament of Canada on this important question. Otherwise if we let the report go in its present form, it means that we acquiesce in the new interpretation placed upon the responsibilities of the dominions for the diplomatic relations entered into by the British government as worded in this last report. This, I think, would be very dangerous, and I find an example of it in the manner in which the Locarno treaty was brought in.

What mandate had our representatives or the representatives of any of the dominion governments to give their moral approval to the Locarno policy? It was brought up last year in this House. I did my best to explain the Locarno treaty as I understood it and as it is understood by many people who have followed all the negotiations that preceded and accompanied those famous agreements. I have no doubt that they were made with the intention of helping the cause of peace; but there is no question that they contain provisions for war—for war either against France or against Germany in certain cases. It may be said that approval given by the conference to the Locarno treaty does not carry with it active coöperation; but it certainly carries with it certain things. Certainly not for nothing was the approbation of the conference asked. Attention was called in the British House of Commons to the exclusion of the dominions from the treaty of Locarno. Mr. Amery, the very able and very clever Secretary of State for Dominion Affairs, was asked whether any of the dominions were now associated with Great Britain in her responsibilities under the treaty, to which he replied that they were excluded by article 9; but he called attention to the resolution submitted to the imperial relations committee, unanimously approved by the conference, whereupon Captain Garro-Jones interjected:

Is the right hon. gentleman aware that the resolution submitted by the inter-imperial relations committee has no solid foundation whatever, and has he made any representations to the foreign secretary that no further obligations should be entered into which will leave Great Britain isolated in this way?

To which Mr. Amery replied:

I do not think that the resolution passed by the conference expressing their satisfaction at the policy of His Majesty's government is not a solid contribution.

I do not know what Mr. Amery had in his mind, but I should like to know what the Canadian government have in their minds. If their adherence to the Locarno treaty means that they approve of the policy which necessarily must grow out of that treaty, then it is about time we should know, because many people in Europe are of the opinion that the Locarno treaty is but a makeshift and that from that treaty new wars may arise just as well as that peace may be established. It may be said that we are not responsible for any war that may arise out of the Locarno treaty; but surely the British government has no need of five or six polite words on paper of approval of their policy unless it means something tangible for them when the day of test comes to put that policy into execution.

The question is being frequently put to Great Britain—I know enough of European affairs to be able to state that it is being put practically every day—"In the name of whom are you speaking; are you speaking in the name only of the British kingdom or in the name of the six nations who waged war with you last time?" That was the position at the London conference. The French government and the Italian government refused to have the various dominions represented there alongside of Great Britain because, as they said to the British government: "We want to deal with one nation, not with six." Well now, if we are six nations with equality of status, free to direct without any subordination our foreign affairs, then it means that in these foreign relations Canada should be allowed one opinion, Great Britain another, Ireland another, South Africa another. But if in every instance to support the principle of coöperation means that we must be one, then our equality of status remains purely on paper and as a matter of fact we fall into line with the rest of the empire and simply become dummies. In that case we merely endorse a policy prepared in London at the dictates of British

diplomatists, a policy put into action through our coöperation when the time comes for paying the fiddler.

I do not say that imperial partnership is not a fair proposition, but I claim that the time has come when we should impress upon the people the importance of making an intelligent choice in the light of full reflection. We must decide one way or the other, not now, not perhaps five or ten years hence, but at some time or other. We cannot remain within the empire and at the same time be a full fledged independent nation. We might as well attempt to square the circle as try to carry on a permanent policy at once imperial and national along these lines. This has been tried and it has failed in every instance. I admit that British genius for government is perhaps superior to the genius of any other nation that has ruled any large portion of the world in the past. Nevertheless, even British genius cannot run counter to the laws of human nature, the laws of geography, the laws of economics and the laws of nationality as evidenced in one country after another as they attain the position of fullgrown nations.

It seems to me that the ideal conceived and announced to the world by those great men who initiated in the sixties the negotiations which resulted in confederation was at once a much higher and a much more practical ideal than the present policy of squaring the circle. In this so-called coöperation, the British claim for themselves, and properly so, the right to determine their policy in accordance with their geographical conditions, and others, as the report declares. Well, have we not the same right? If we have equality of status surely we have the same right to take our own position into consideration. And what is our position past, present and future as we may conceive it? It is this: Canada is so situated that it has never been, probably will never be, the cause of Great Britain or any other portion of the empire running the risk of war on our account.

I was interrupted a moment ago with a question regarding the war of 1812. Will anyone who has the slightest knowledge of history, as taught even in the Ontario schoolbooks, seriously entertain any doubt as to the cause of that war? The British government claimed the right to visit neutral ships. And what had we to do therewith? No more than we had to do with the quarrel between the British government and the thirteen American colonies at the time of the revolution in 1775. Yet Canadian territory was invaded and occupied by American armies merely because Canada was associated with Great Britain and the empire.

Mr. LADNER: My hon. friend is not dealing with the point of my question.

Some hon. MEMBERS: Oh, oh.

Mr. LADNER: This ridiculous laughter does not facilitate the proceedings. My question did not relate to the cause of the war of 1812. My hon. friend stated that Britain at no time had ever assisted Canada by men or by ships, and my question was whether or not she did not assist us both by men and by ships in the war of 1812. I know she did.

Mr. BOURASSA: Let the hon. member open his ears. I said at the outset, I stated it a second time, and I repeat it now for the third time, that Britain has never spent a dollar, never armed a soldier, never manned a ship in any war caused by Canada. Does the hon. gentleman understand that now? On the other hand, Canada has been brought into two wars from a cause arising from British policy—a quarrel between Great Britain and the United States. I do not say that the British were wrong in these wars.

Mr. LADNER: The hon. member must not twist what I said.

Some hon. MEMBERS: Order.

Mr. BOURASSA: I have been three times as courteous to the hon. gentleman as the leader of the opposition (Mr. Guthrie) was to the Prime Minister (Mr. Mackenzie King). I want to imitate statesmen as far as I can. If the hon. member wants to ask a question he may do so, but I am not going to be distracted from an already too long argument by discussions on the side.

Mr. LADNER: I want to correct a misstatement of the hon. member with respect to what I said. I referred to his words, that Britain had not come to the assistance of Canada, and I refuted that statement. What the hon. member said as to Canada having been the cause of any wars was something he interjected later on.

Mr. BOURASSA: I do not think the hon. gentleman wants me to repeat my words. He will see them in Hansard to-morrow. Let me once more tell him what I said. Canada has never been, because of its own policy or because of its situation, the cause of any war engaged in by Great Britain or any other portions of the empire. That is my assertion and if the hon. gentleman is not satisfied, if he considers it the utterance of a French Canadian nationalist and rebel, let him refer to the numerous declarations of that past respected leader of the Conservative party, Sir Charles Tupper, in this regard. I myself

heard Sir Charles Tupper, in the old House which was destroyed by fire, make the statement that, after his experience as leader of the government and as Canada's representative in Great Britain, he had come to the conclusion that for no consideration whatever would England run the risk of war with the United States on account of Canada. Furthermore, when the agitation began to make itself felt for contributions on the part of the dominions to imperial armaments, when the argument was advanced, that we should not shirk our responsibilities having regard to the protection we enjoy from the British fleet and the fact that Great Britain had fought to protect our territory, Sir Charles Tupper met this argument, not once or twice but ten times in speeches and in letters to the English press, which I could quote if time allowed.

An hon. MEMBER: Go ahead.

Mr. BOURASSA: Very well, then, I am prepared to give it. For once hon. gentlemen opposite will hear true national Conservative doctrine which will show them what evolution has taken place in the Tory party in the last thirty years. Let me quote Sir Charles Tupper, speaking at Winnipeg in 1893; he said:

> I deny that we are a burden to the empire. I say that if to-morrow Canada was dissevered from the crown of England, if to-morrow Canada became a portion of that great republic which lies to the south of us, England could not reduce her army by a man, nor her navy by a ship. She would want more soldiers and sailors and ironclads than she has to-day in order to maintain her prestige. I say, if this great continent was closed, as closed it would be to the ships of England, under the circumstances I have named, if they had no harbour in which to run or a place where they can obtain a ton of coal or a spar, instead of England being strengthened, she would be enormously weakened.

He goes on to describe that weakening process. Then,

> I deny that we are a burden. There is not a pound of British money spent in the Dominion of Canada, from end to end, for any Canadian purpose.

He further demonstrated that the only contribution Canada could make to imperial defence, compatible with her own dignity and the principles of government, was to organize her own territory, to make stronger that portion of the empire for which she is responsible, and to refrain from meddling in the policy of Great Britain or to contribute in any manner to the imperial navy or the imperial army.

That view was upheld not only in theory but in practice as well by the Conservative party until the new days of imperial gospel came. In 1885, for the first time, an appeal was made to the spirit of imperial coöperation; appeals were made to that false sense of colonial vanity which we call national dignity. "Oh, we must go to the rescue of England, because she is prepared to fight for us." That was at the time of the Soudan war; but the leader of the Conservative government at that time, Sir John A. Macdonald, refused point blank, both to the English government and to the Canadian jingoes and quality niggers, to spend one cent of Canadian money in that war. He said, "This is not the understanding we have had with the British government; we have no understanding but to defend our own country."

Now, Sir, if it is a crime in our day to stand by the doctrines of the founders of confederation, I stand committed, because I stood for that principle before the South African war, during the South African war, before the great European and during that war, and I stand by it to-day. I am not expressing only the personal opinion of a few Quebec idealists; but I know from a correspondence covering the country from one end to the other and extending over the last five years that I am now openly expressing, and because I am accustomed to stand all the risks of the position I take, the growing feelings of a large number of Canadians of all races and origins in all the provinces of Canada, who are beginning to realize that if Canada is to remain worthy of her origin and is to be a dignified and worthy scion of British civilization, she must develop those principles of self-government and self-concern which have made Great Britain an example to all nations in the world in our day.

Sir, do we want to render a real service to the empire? Let us take the advice given to us by the present representative of Great Britain in Washington, Sir Esme Howard, who said last year, "The duty of Canada or rather the best service Canada can render to the empire is to interpret Britain to the United States and to interpret United States to Great Britain." Well and good, because on the one hand we are an American nation and always will be such, and on the other we are associated with Britain. Whatever the future of the empire, whatever the future of the other countries of the world, there can be no doubt that Canada will always be a nation in America. Therefore we have in common with the great nation to the south permanent interests stronger and more binding than any political bonds we can have outside of America. On the other hand, due to our dual

origin and to the maintenance in Canada of a French population speaking the French language and maintaining the foundation of the French civilization while absolutely and exclusively Canadian in feeling and British in political tendencies, along with a large population originating in the British Isles and new comers from the continent of Europe, we have here elements of civilization at once European and American which must be the link between the great commonwealth to our south and the more retarded but perhaps more idealistic nations of Europe. But if we want to interpret Britain to the United States and the United States to Britain, we must speak in terms of peace; we must make it clear, either through the League of Nations or the Pan-American Union, to which we should have belonged for many years, that Canada, constituted as she is, is in a better position to advance the cause of peace than perhaps any other nation on earth. One of the reasons is that any preparation for war we would make would be absolutely useless to us. Just a few weeks before Lord Fisher resumed command of the Admiralty, he said to me, "It is foolish on the part of Canada to spend money in naval armaments or imperial armaments. It is foolish and useless, because you may rest assured that England will never fight for Canada against the United States, the only country which can successfully attack Canada—not because we are not willing to do so but because we cannot. Therefore why should you spend your money in participating in a defence which is useless to your country? If you want to make Canada safe from outside attacks, do not come here to London and talk with our shipbuilders, but go to Washington and make a working arrangement for the defence of your country in common with the United States." But I said, "Oh, Lord Fisher, we have such great patriots in Canada that they would never admit of such a shameful thing as having an understanding with a foreign country to defend us." He said, "Are you so foolish in Canada? Don't you realize that the world is made up of such dependency? Do you consider that we in England are humbling ourselves because we rely on the French army to fight for us on the continent, and because France relies on the British navy to protect her northern coast, as for years Germany relied on England to protect her, and as we relied on Germany to occupy France while we took her colonies? Do you think it is humiliation for Belgium to count on Germany to defend her against France, or on France to defend her against Germany? No country on earth can get along without an understanding with some other country, and the most natural understandings are made between people who are neighbours and who have common interests." Therefore I say that if we are in need of defence we will not find it in Europe; we would do better to have a cordial and worthy understanding with the United States in time of peace and in view of war, and to rely on the United States for the succor which Great Britain will be unable to give us.

Mr. McGIBBON: Why not have annexation?

Mr. BOURASSA: The only way by which we can prevent the absorption of Canada by the United States is precisely by having the best possible understanding with that country. If we continue to do as we have done in the past and build upon dreams, delusions and alliances against nature, upon reliance on racial sentiments legitimate in themselves but insufficient; if we disregard the economic and social conditions which will determine our future policy just as economic and social conditions have determined the policies of European countries, in the last century particularly, one of these days we will wake up in a fool's paradise. It would be far better to maintain a spirit of Canadianism and to prevent the social, economic, mental and moral penetration of Americans into the souls of our young people, and then have an understanding as between government and government such as all countries have.

In doing that, Sir, we would simply be continuing what has been the British policy ever since the days when George Canning concluded with President Monroe an alliance or an understanding under which the United States made good for England on the remainder of her possessions in America, providing England took care that neither France nor Spain would endeavour to possess any portion of America again. That was not quite idealistic, but it was a very sensible and practical policy, which has held good ever since. It is one of the strangest things I have ever experienced in my lifetime: whenever I go to England I meet Tories, Liberals, statesmen, diplomats and journalists, disagreeing on all points of policy, except on the Monroe doctrine. They consider and have considered for a century that the Monroe doctrine is the permanent basis of British politics in America; but this great Canadian nation, ready to swallow up the whole of the empire and to fight with nations in Africa or elsewhere to make the Union Jack float everywhere; oh no, we are too big,

too proud and too dignified to do what these little English statesmen have been doing for centuries.

I think, Sir, if we do that and raise the voice of Canada in favour of peace and disarmament, not only would it be the best service we could render to the empire, but it would be the best protection Canada could have. Provided, of course, we couple it with a declaration, an unequivocal declaration, that Canada means to stand neutral in wars declared by England to which this country is not a party.

That again may scandalize some people; but the idea was propounded by one of the leaders of the Tory party before confederation, one of the founders of confederation, one of the men whose statues adorn the grounds which surround these buildings. D'Arcy McGee was elected as a minister of the crown, then entered the government which made confederation possible, by declaring in Montreal West, represented in part by my hon. friend opposite (Mr. Bell), that Canada should look in the near future to a declaration of neutrality acknowledged in international law, not only by Great Britain and the United States, but by the rest of the world. Nobody was scandalized at that. The leader of the Labour party in Ireland, Mr. Johnson, took exactly the same position at the Interparliamentary congress held at Washington two years ago. That is my own view, and I think it will be the policy of the British Empire before long. It will be a consequential development of the declaration made in London last summer along the lines of self-government. Are we going to wait until after the dominions that are less favourably situated than we are take the lead in these matters? In the past it was the pride of all Canadians that Canada had taken the lead in the development of self-government, that Canada had been the pioneer in the assertion of the rights of all self-governing British communities to rule themselves according to their own ideas. It was the pride of Canada to be the eldest daughter in the galaxy of nations that were born out of British liberty. Are we now going to step backward and wait until the South Africanders, until the Irish, lead us on the path of liberty? Surely that is not the ideal we are going to give to the next generation, to the new generation of Canadians—either French, or English or foreign born—who have come to this country because they thought they would find here the principles and policies which exemplified their ideas of progress and advancement. Therefore in the name of British tradition, in the name of what is best in our French-Canadian traditions—but in the name especially of our Canadian homes, in the name of the generations yet to come—I would ask, if something had to be asked from this government, that there be ratified in this pronouncement of the conference of the empire everything which makes for progress, which makes for more liberty, which makes for peace—peace in the empire and peace outside of it. But I would stand decidedly opposed to every retrogressive measure, to every equivocation which has been put into that report in order to becloud the issue and satisfy at the same time those who want to go forward and those who want to step backward. My hair is white but I am still young enough I think to look to the future and to speak to my fellow citizens in the spirit of the future. It is from that youthfulness of heart that I speak as I do in all sincerity as a Canadian, as one who admires and loves British institutions—not blindly, not for what they cover of the sins which England has committed just as any other nation, but for what they contain of nobleness of purpose and of breadth of aspiration, for what they contain of hope, of peace, and of liberty for the world at large and Canada in particular. I stand upon that ground to-night as I did in all the years of peace and war, at the expense of my political advancement but because I thought I owed that duty to the country I love, to the country in which I was born and in which I expect to die.

[Mr. Bourassa.]

On motion of Mr. Lapointe the debate was adjourned.

PRIVATE BILLS

SECOND READINGS

Bill No. 216, for the relief of Queenie Isobel Parks.—Mr. Bothwell.

Bill No. 217, for the relief of Charles Shedrick Phillips.—Mr. Anderson (Toronto).

Bill No. 218, for the relief of Lavina Harrison.—Mr. Bell (Hamilton).

Bill No. 219, for the relief of Marretta Isobelle Grose Leach.—Mr. Heaps.

Bill No. 220, for the relief of Mabelle Amelia Bulmer.—Mr. Anderson (Toronto).

Bill No. 221, for the relief of John Lauron Garfield Evans.—Mr. Anderson (Toronto).

Bill No. 222, for the relief of Ernest Arthur Kingston.—Mr. Young (Toronto).

Bill No. 223, for the relief of Norah Louise Patricia Campbell Chauvin.—Mr. Garland (Carleton).

Bill No. 237, to incorporate The Red River Driving Club.—Mr. Beaubien.

Bill No. 238, respecting The Subsidiary High Court of the Ancient Order of Foresters in the Dominion of Canada.—Mr. Bell (Hamilton).

On motion of Mr. Mackenzie King the House adjourned at 11.48 p.m.

Wednesday, March 30, 1927.

The House met at three o'clock.

REPORTS OF COMMITTEES

Fifth and sixth reports of the select standing committee on miscellaneous private bills. —Mr. Parent.

Sixth report of the select standing committee on railways, canals and telegraph lines. —Mr. Young, (Saskatoon).

PRIVATE BILLS COMMITTEE

Mr. GEORGES PARENT (Quebec West) moved:

That the fifth report of the select standing committee on miscellaneous private bills be concurred in.

Motion agreed to.

PRIVATE BILLS—REFUNDING OF FEES

Mr. GEORGES PARENT (Quebec West) moved:

That in accordance with the recommendations contained in the fifth report of the select standing committee on miscellaneous private bills, the fees and charges paid on Bill No. 110 to incorporate the President of the Lethbridge Stake; and on Bill No. 145, to incorporate Thousand Islands International Bridge Corporation, be refunded, less the costs of printing and translation.

Motion agreed to.

RAILWAY COMMITTEE

Mr. A. M. YOUNG (Saskatoon) moved:

That in accordance with the recommendations contained in their sixth report, the select standing committee on railways, canals and telegraph lines be permitted to sit while the House is sitting.

Hon. R. J. MANION (Fort William): Is it the intention of the committee to deal with other subjects than that of the Peace river bill?

Mr. YOUNG (Saskatoon): Yes.

Motion agreed to.

Mr. YOUNG (Saskatoon) moved:

That the recommendations contained in the sixth report of the select standing committee on railways, canals and telegraph lines to print, for the use of that committee, an additional 100 copies in English of evidence taken, and of evidence which may yet be taken, by said committee respecting Peace river district proposed railway routes to the Pacific, be concurred in providing the type is standing.

Motion agreed to.

BUSINESS OF THE HOUSE

PRECEDENCE FOR GOVERNMENT BUSINESS ON MONDAYS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, with the consent of the House I beg to move that on Monday the 4th of April, 1927, and subsequent Mondays until the end of the session government notices of motion and government orders shall have precedence over all other business excepting questions and notices of motion for the production of papers.

Motion agreed to.

SUSPENSION OF RULE 17c

Right Hon. W. L. MACKENZIE KING (Prime Minister): Since there is a possibility that the debate on the Imperial conference may not conclude this afternoon, and since Your Honour leaves the chair to-morrow and Friday without the question being put, with the consent of the House I would move that rule 17 (c) be suspended for the sittings of March 31 and April 1, 1927, in order to enable the debate to proceed in the regular way.

Motion agreed to on division.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

R. S. ROBERTSON, K.C.

Mr. CHURCH:

1. Was Mr. R. S. Robertson, K.C., appointed to act for the government in a certain municipal inquiry into Toronto harbour, and when?
2. What sum has been paid, and, what is yet owed him?
3. Who requested his appointment: (a) what persons; and (b) what Liberal association?
4. What other sums from 1921 to 1927 has Mr. Robertson received from the government, and for what purpose?
5. Will the government also hold similar inquiries into purely federal harbours: (a) of Montreal; (b) of Vancouver; (c) of Quebec?
6. Will said inquiries be instituted as in the case of Toronto without any charges?

Hon. Mr. RINFRET:

1. Mr. R. S. Robertson, K.C., was retained to act for the government in an inquiry into matters pertaining to the business of the Toronto harbour commissioners under the provisions of the Inquiries Act.

2. No payments have been made to him; his account is for $5,775.81.

3. Mr. Robertson was retained on the recommendation of the Minister of Justice.

4. None.

5. No similar requests for inquiries have been received in the case of (a) Montreal (b) Vancouver, (c) Quebec.

6. Answered by No. 5.

RELIEF FOR WAR VETERANS

Mr. PRICE:

1. Will legislation be introduced at this session of parliament providing relief for disabled and partially disabled war veterans at present excluded from pension benefits owing to existing regulations?

2. When will the bill be introduced for the said purpose?

Hon. Mr. KING (Kootenay):

1. Present pension legislation provides pensions for all disabilities "attributable to or incurred during military service" and for "disabilities resulting from injury or disease or the aggravation thereof incurred during military service". No ex-soldier who is so disabled is denied pension. But responsibility cannot be accepted for those whose disabilities are not related to war service.

2. The government does not intend to extend the present provisions of the Pensions Act by further amendments this year.

SCHOONER EDDIE JAMES

Mr. LOVIE:

1. Was the schooner Eddie James seized by the Department of Customs and Excise at Summerside during the year 1925?

2. If so, what quantity of liquor was in the cargo?

3. How was said liquor disposed of, showing quantity, brands of each kind, to whom sold, and at what price?

4. Was the duty paid on the liquor by the purchaser at the time of purchase or when it was taken out of bond?

5. If when taken out of bond, what were the dates of release, quantity, duty paid at each time and to whom it was released?

Hon. Mr. EULER:

1. Yes.

2. 1,055 cases.

3. After release by decision sold by owners to Prince Edward Island Commission for Enforcement of Prohibition Act. No information as to sale price.

[Mr. Church.]

Kind of Liquor—Brand	Quantity Cases
Champagne—Old Monopole	63
Champagne—Pommerry	17
Champagne—Cordon Rouge (1913)	8
Champagne—Cordon Rouge (1911)	8
Wine—Sherries	29
Wine—Port	12
Gin—Burke's Irish	27
Brandy—Martini	1
Kummel—(Liqueur)	9
Vermouth	21
Whisky—Rob Roy	133
Whisky—Lawson's	104
Whisky—Burke's Irish	20
Whisky—Gold Thimble	16
Whisky—Old Smuggler	39
Whisky—Aberlour Glenlivit	73
Whisky—Golden Eagle	20
Whisky—Ambassador	455
	1,055

4. Duty was paid by purchasers on delivery out of bond on order of owners.

5.	Cases	Duty and Sales Tax Paid
May 25	33	$ 306 52
June 2	245	3,629 39
June 28	100	1,837 56
Aug. 4	100	1,837 56
Sept. 9	50	918 78
Sept. 27	60	1,012 93
Oct. 28	121	2,226 52
1927		
Jan. 12	50	918 78
Mar. 1	105	1,857 60
	864	$14,545 64

Balance 191 cases still in bond.

IMMIGRATION DURING 1926

Mr. SPENCER:

1. How many immigrants came into Canada during the year ending December 31, 1926?

2. Of what nationality were these comprised?

3. To what occpations did they go?

4. What religious denominations did they claim?

5. Has the government any way of checking how many people leave for the United States?

6. If so, how many left during the above year?

7. How much was spent by the Immigration department during 1926?

Hon. Mr. FORKE:

1. 135,984.

2. Albanian, 11; Arabian, 8; Armenian, 66; Austrian, 223; Belgian, 1,842; Bohemian, 24. British—English, 24,541; Irish, 9,049; Scotch, 13,861; Welsh, 1,368. Bulgarian, 87; Chinese, 2; Croatian, 1,135; Czech, 770; Dutch, 1,643; East Indian, 68; Esthonian, 77; Finnish, 4,721;

French, 521; German, 10,720; Greek, 274; Herzegovinian, 3; Italian, 2,539; Japanese, 443; Jewish, 4,441; Jugo-Slav, 2,191; Korean, 1; Lettish, 54; Lithuanian, 779; Magyar, 5,182; Maltese, 34; Mexican, 1; Montenegrin, 1; Moravian, 22; Negro, 50; Persian, 4; Polish, 5,359; Portuguese, 15; Roumanian, 317; Russian, 1,074; Ruthenian, 9,468;. Scandinavian—Danish, 1,467; Icelandic, 31; Norwegian, 2,607; Swedish, 2,324; Serbian, 852; Slovak, 4,010; Spanish, 27; Spanish American, 5; Swiss, 503; Syrian, 221; Turkish, 4; From U.S.A. 20,944 (border ports).

3. Farming class, 76,141; Labouring class, 8,341; Mechanics, 9,481; Trading class, 5,267; Mining class, 1,324; Female domestics, 13,043; Other classes, 22,387.

4. Statistics as to religious denominations are not compiled.

5. No.

6. Answered by No. 5.

7. $2,541,430.01; these figures include all expenditures by the department for the fiscal year and cover the cost of work on the international boundary and at Canadian ocean ports, in the British Isles, continental service, United States service, publicity and general administration.

SUPERANNUATION ACT—1924

Mr. SPENCER:

1. Has the Superintendent of Insurance completed his report with regard to the Superannuation Act of 1924?

2. Has this report been received by the Finance department?

3. How many widows of civil servants are there who do not come under the above Act?

4. Does the government intend to bring down legislation this session to give relief to the said widows under this act?

Mr. SPENCER: Dropped.

POST OFFICE AT WELLSDALE, ALBERTA

Mr. HOCKEN:

1. Has the name of the post office at Wellsdale, Alberta, been changed?

2. If so, what is the new name?

3. Did the residents petition for the change?

4. If so, how many petitioned for it, and how many against it?

Hon. Mr. VENIOT:

1. Yes.

2. Clandonald.

3 and 4. No petitions received. The change was recommended by Archbishop O'Leary of Edmonton and by the district superintendent of postal service, Saskatoon, who stated that the new townsite on the C.P.R. where the post office was located had been named Clandonald. Objections were received from Bishop Gray, of Edmonton, and from Geo. J. Stockwell and T. J. Souder of Wellsdale.

TRAVELLING EXPENSES OF RETURNING OFFICER. COUNTY OF MONTMAGNY

Mr. CAHAN:

What amount was paid as travelling expenses (mileage) to the returning officer in the county of Montmagny at the general elections of 1921 and 1925, respectively?

Hon. Mr. RINFRET:

The following amounts were paid as travelling expenses (mileage) to the returning officer in the county of Montmagny:—

Election of 1921—Thos. Tremblay, $67.10.

Election of 1925—Jos. C. Lislois, $231.50.

INVESTIGATION UNDER COMBINES INVESTIGATION ACT

Mr. SPENCE (Parkdale):

1. Having reference to the investigation into the wholesale fruit and vegetable business under the Combines Investigation Act in the province of Ontario, what time elapsed between the filing of the original application and the presentation of the report of Major Lewis Duncan?

2. What was the total cost of the said investigation?

3. What amount was paid in salary and fees to the said Major Lewis Duncan for this investigation?

4. What amount was paid as expenses?

5. What is the total amount paid to date for this and other investigations to the said Major Lewis Duncan, (a) as fees, and (b) as expenses?

6. Is the said Major Lewis Duncan still retained or employed as a commissioner under the Combines Investigation Act?

Hon. Mr. RINFRET:

1. Fifteen months.

2. $14,111.09.

3. $5,581.

4. 991.85.

5. (a) $26,855; (b) $5,583.84.

6. No.

EMPIRE SETTLEMENT SCHEME

Mr. BOULANGER:

What amounts have been paid up to date by the Government in pursuance of what is known as the Empire Settlement scheme or other similar schemes, for transportation, assistance, loans, etc., (a) to immigrants themselves; (b) to the Salvation Army; (c) to Canadian or foreign colonization societies and agencies?

Hon. Mr. FORKE:

Including expenses from the inception of the Empire Settlement scheme to January 31, 1927, the following amounts have been paid:—

Passage loans	$ 474,939 09
Passage grants	667,081 41
Other expenses not recoverable	4,867 09
	$1,146,887 59

(a) Nothing as far as the Department of Immigration and Colonization is concerned.

(b) Transportation loans, $18,912.03; transportation grants, $61,489.77.

(c) Transportation grants, $167,244.79; assistance, $25,481,87.

The figures in (b) and (c) are included in the total of $1,146,887.59.

QUESTIONS PASSED AS ORDERS FOR RETURNS

IMPORTATION OF COAL

Mr. SMITH (Cumberland):

1. What quantity of coal of all grades, including coke and lignite—specifying the grades in quantities and showing the country of origin and the value in grades—was imported into Canada for the year ending January, 1927?

2. What quantity of coal of all grades, including coke and lignite—specifying the grades in quantities, showing the provinces of origin in Canada, the country of destination, and the value in grades—was exported from Canada for the year ending January, 1927?

3. What quantity of coal of all grades, including coke and lignite—specifying the grades in quantities, showing the country of origin and the value in grades—was imported into Canada for the year ending January, 1927, for metallurgical or any other purposes, on which there was a drawback of 99 per cent of the duty, stating places in Canada where said coal was consumed and supplying names of companies or others taking advantage of the drawback?

AREAS OF CANADA

Mr. LADNER:

1. What was the approximate area by square miles of each of the four provinces, Ontario Quebec, Nova Scotia, and New Brunswick, when they united in confederation in 1867?

2. What was the estimated area or public domain of, (a) British North America; (b) the Dominion of Canada (both exclusive of the said four provinces) in 1867 immediately after confederation?

3. What portion in square miles of the said area or public domain referred to in question 2, has been placed under the jurisdiction of or granted to, (a) each of the said four provinces: (b) each of the remaining five provinces, all subsequent to their joining confederation?

4. By what authority or act of parliament?

5. What is approximately, (1) the gross revenue; (2) the net revenue derived yearly by each province from such area or public domain referred to in question 3, with respect to each of the following: (a) forest products; (b) mineral resources; (c) agricultural lands; (d) water-power; (e) fisheries?

REVENUES OF CANADA

Mr. LADNER:

1. What are the total annual revenue and expenditure respectively (in ten-year periods down to 1907 and yearly thereafter) of the government of Canada since confederation or since each province joined confederation, as the case may be, with respect to: (a) lands, mineral, forest, water-power and other natural resources in each province over which the government of Canada has jurisdiction; (b) from fisheries in or contiguous to each province?

2. What are the total annual revenues and expenditures respectively (in ten-year periods down to 1907 and yearly thereafter) of the government of Canada since confederation or since each province joined confederation, with respect to all sources other than those referred to in question 1?

3. What was the population of each province during said periods and years down to the end of 1926?

4. What were the total number of employees of the government of Canada in each province during said periods and years down to the end of 1926?

DUTY COLLECTED ON CERTAIN IMPORTS

Mr. EDWARDS (Frontenac):

1. What are the quantities, values and amounts of duty collected on the imports of each of the following commodities imported into Canada during the calendar year 1926: fresh pork, cured pork, lard, mutton and lamb, butter, eggs, cattle hides, calf skins, sheep skins, raw wool, worsted tops and noils of wool, manufactures of wool, manufactures of leather?

2. What is the rate of duty on each of the articles mentioned?

UNOPPOSED MOTIONS FOR PAPERS

HUDSONS' BAY COMPANY

Mr. GARLAND (Bow River):

For a copy of all letters, telegrams, documents and other correspondence between the government of Canada, the Hudson's Bay Company and any other person in relation to the cancellation of the land held by the Hudson's Bay Company within the parks and forest reserves of the province of Alberta and the acquisition by the company of title to some 50,000 acres of land in the Peace River and Grande Prairie districts in lieu of the land cancelled.

GOVERNMENT EMPLOYEES IN NORTH TIMISKAMING

Mr. BRADETTE:

For a return showing a list of names of the federal government employees and their salaries, who are holding positions in the constituency of North Timiskaming, exclusive of any officials under the post office departments and Royal Canadian Mounted Police.

POSTMASTER AT CAP CHAT

Mr. CAHAN:

For a copy of all correspondence containing or relating to charges made against the postmaster at Cap Chat, county of Gaspè; also a copy of all evidence taken at an enquiry held by Mr. N. Nadeau, advocate, relating to any such charges; and a copy of any report made thereon by said Mr. Nadeau.

SLAUGHTER OF SWINE

Mr. ROWE:

For copy of all letters, telegrams and other correspondence between the Department of Agriculture, the minister or any other officials thereof, and any person or persons, whether employees of such department or not, relating to the slaughter of swine, the property of Andrew Oberle, Walkerton, Ontario, and the payment of compensation therefor.

SUPERANNUATION OF CUSTOMS EMPLOYEES

Mr. ROBINSON:

For a copy of all correspondence, reports, and other documents, exchanged between the Department of Customs or any official thereof, or any other department of the government, or any official thereof, and any person or persons whomsoever, between March 1st and April 30th, 1922, relative to the superannuation of a number of customs department employees on the border staff at Windsor and Walkerville, Ontario.

TELEGRAPH OPERATOR AT BELLA COOLA

Mr. BRADY:

For a copy of all correspondence between residents of Bella Coola or any government officials in the vicinity, or divisional superintendent of telegraphs, Vancouver, or any or all of these with the Minister of Public Works or any departmental officials, together with a copy of all reports made by officials of the department in relation to removal of telegraph operator at Bella Coola, and consequent closing of the line.

CHILCOTEN ORDNANCE LAND RESERVE

Mr. FRASER:

For a copy of all correspondence, letters, telegrams, reports, recommendations, or communications of any kind passing between the government of British Columbia, or any member or official thereof, or any other person or persons, and the federal government, or any official or officials thereof, relating to Chilcoten ordnance land reserve in the Chilcoten division of the Cariboo districts of British Columbia.

POST OFFICE AT HAWKESBURY, ONTARIO

Mr. BELL (West Hamilton):

For a copy of all letters, telegrams, and other documents, memorandums, protests, recommendations, and reports of officials of the Post Office Department, and of the Civil Service Commission, in the possession of the Civil Commission, relating to:

1. The appointments, qualifications, rejections, of any person or persons in charge of the post office at Hawkesbury, Ontario, from the year 1922 to date;
2. The appointment or rejection of one MacAllister as postmaster at Hawkesbury;
3. The appointment, temporary or otherwise, of a successor to the said MacAllister.

TRANSFER OF CONSTABLE MURDOCK

Mr. BROWN:

For a copy of all correspondence, and other documents, passing between any officials of the government or other persons with reference to the transfer of one Murdock, a member of the Dominion police force, from Snowflake to his present location.

MARINE AND FISHERIES DEPARTMENT

DIVISION INTO TWO BRANCHES WITH DEPUTY MINISTERS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the act respecting the Department of Marine and Fisheries to provide that the department shall consist of the Marine branch and the Fisheries branch, and that two officers may be appointed by the governor in council as Deputy Minister of Marine and Deputy Minister of Fisheries, respectively.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

POST OFFICE ACT AMENDMENT

POSTAGE RATE ON NEWSPAPERS AND PERIODICALS

Hon. P. J. VENIOT (Postmaster General) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the Post Office Act and to reduce the postage rate on certain newspapers and periodicals from one and one-half cents to one cent.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

DOMINION ELECTIONS ACT AMENDMENT

APPOINTMENT AND SALARY OF THE CHIEF ELECTORAL OFFICER

Hon. ERNEST LAPOINTE (Minister of Justice) moved that the House go into commitee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to amend the Dominion Elections Act and to provide that the Chief Electoral Officer shall be appointed by resolution of the House of Commons, and shall be paid a salary of six thousand dollars per annum.

He said: His Excellency the Governor General, having been made acquainted with

the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

UNITED STATES EMBARGO ON MILK AND CREAM

On the Orders of the Day:

Mr. W. F. KAY (Brome-Mississquoi): I should like to ask the Minister of Agriculture if he has any information to give to the House to-day with respect to the embargo placed by the United States government upon the exportation of milk and cream from any place within a radius of two hundred miles?

Hon. W. R. MOTHERWELL (Minister of Agriculture): In reply to my hon. friend I may say that the Department of Agriculture is in communication, both by phone and by correspondence, with the Departments of Health of both Quebec and Ontario with the object of localizing as far as possible any possible source of rural typhoid contagion. An officer of the department has gone down to Montreal to-day with the same object in view. Until the source of contagion is discovered and the causes removed I am afraid we will have to suffer all the inconvenience of the present embargo.

GEORGIAN BAY CANAL

LEASE OF CARILLON POWER TO NATIONAL HYDRO ELECTRIC COMPANY

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): I wish to ask the Minister of Railways whether it is intended, as a matter of policy on the part of the government, to refer the lease granted to the National Hydro Electric Company for the development of power at Carillon, or the subject matter of it, to the committee which will consider the Georgian bay canal bill, and if not what steps will be taken with respect thereto?

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): I expect fully that the whole question regarding the Ottawa river will naturally come before the committee on railways, canals and telegraph lines in connection with the discussion of the bill which has been referred to it.

Hon. H. H. STEVENS (Vancouver Centre): In that connection may I ask if the Minister of Railways, or perhaps the Minister of Justice, would lay on the table an opinion on this subject given by Mr. Newcombe about 1918 when he was Deputy Minister of Justice?

[Mr. Lapointe.]

I think the opinion was given in reply to a submission by the Ontario government. It would be convenient if we could have that opinion laid on the table before this matter is considered in committee.

Mr. LAPOINTE: If any such opinion exists I will be very pleased to lay it on the table.

CUSTOMS INVESTIGATIONS IN QUEBEC

On the Orders of the Day:

Mr J. F. POULIOT (Temiscouata): May I ask the hon. Minister of Customs and Excise if it is within his knowledge that Inspectors Duncan and Knox, who are at present holding investigations in the province of Quebec, do not speak a word of French?

Hon. W. D. EULER (Minister of Customs and Excise): It is within my knowledge that these officers have held or are holding investigations. I have no information, however, as to their knowledge of French.

RETURNED SOLDIERS INSURANCE

On the Orders of the Day:

Mr. J. A. CLARK (Vancouver-Burrard): On two previous occasions, I asked a question in regard to returned soldiers insurance. The Canadian Legion of the British Empire Service League, and many other organizations, have recommended an extension of this insurance for a period of at least one year. I think the Minister of Soldiers Civil Re-establishment stated on two occasions early in the session that the matter was under consideration. I wonder if a decision has been reached.

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment)): In reply to my hon. friend I would state that the matter of extending the period of insurance for returned soldiers, and suggestions coming to the department from returned soldiers organizations throughout Canada, have been given careful consideration. In view of the extent of the matters already dealt with it has been deemed inadvisable to undertake to bring down further legislation this year with regard to insurance or pensions.

ODESSA AND ENTERPRISE POSTMASTERS

On the Orders of the Day.

Hon. J. W. EDWARDS (Frontenac-Addington): I would ask the Postmaster

General if instructions have yet been given to the Civil Service Commission regarding appointments to fill the vacancies at Odessa and Enterprise, Ontario, and if not what is the reason for the delay?

Hon. P. J. VENIOT (Postmaster General): I regret that I cannot give that information from memory, but I will look into the reasons for the delay, and let my hon. friend know to-morrow.

RURAL MAIL BOXES

On the Orders of the Day:

Mr. PETER McGIBBON (Muskoka-Ontario): It is getting near spring, and I would ask the Postmaster General if he can tell us when he will have boxes for the rural mail delivery?

Mr. VENIOT: I cannot tell my hon. friend on what date I shall be in a position to award tenders. We are examining fifty-two models of boxes, and a process of elimination is now under way in order to determine which would be the best model. I am personally directing that work and I feel that we should, if possible, get the very best model available. Unfortunately, I have been so much taken up with the duties of my department that I have not yet been able to complete the work of elimination.

Mr. CLARK: Leave it to the officers of your department and then the work will be well done.

Mr. VENIOT: I know just as much about mail boxes as they do, and that is the reason I am taking a hand in it myself. I want to make as good a selection as possible because I have to accept the responsibility for what will be done. I may say that I expect in a very few days to deal with the matter.

Mr. McGIBBON: I would suggest to the minister that he could follow the same course that he has followed in the elimination of postmasters.

Mr. VENIOT: In that regard whatever I have done has been in the public interest and I intend to continue to act on that principle.

Mr. EDWARDS (Frontenac): Is it the policy of the government to supply these boxes at actual cost?

Mr. VENIOT: We will follow in future the system which has prevailed in the past.

Mr. EDWARDS (Frontenac): Will they be supplied at cost?

Mr. VENIOT: I could not say, because I have not looked into the matter, and as my hon. friend knows I am new in the department yet. However, the same principle will obtain in the future as in the past.

CANADIAN MINISTER AT WASHINGTON

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): I promised the hon. member for St. Lawrence-St. George (Mr. Cahan) that I would bring down any correspondence obtainable in the nature of communications between the British government and our own respecting the appointment of the Canadian minister at Washington. I beg to lay copies of those communications on the table. I have already given my hon. friend copies of them.

IMPERIAL CONFERENCE

DEBATE ON STATEMENT OF PRIME MINISTER AND AMENDMENT OF MR. GUTHRIE

The House resumed from Tuesday, March 29, consideration of the motion of the Minister of Finance (Mr. Robb) for committee of supply, and the proposed amendment thereto of Mr. Guthrie.

Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, as it is possible that in the course of my remarks I may disagree rather strongly with the leader of the opposition (Mr. Guthrie) with respect to some points of his address of yesterday and the amendment which followed it, I am pleased to preface my remarks by congratulating him on the tone of his address. Indeed the form deserved commendation more than the substance. I am pleased also to say that I agree with him at least on the first statement which he made as to the nature and functions of the Imperial conference, a statement which should dispel much misconception in that regard.

The Imperial conference is not an executive, nor a government, nor a cabinet; it is a consultative body and nothing else. That was the position taken by all prime ministers of Canada in the past and by those of the other dominions of the empire as well. It is a consultative body composed of representatives of the various units of the empire who meet, get each other's opinions, discuss conditions and problems which affect all or some of them, and, in the light of knowledge and impressions received and communicated to them, may afterwards if necessary recommend to their

respective parliaments any legislation or executive act which may best suit the need.

To assert that the Imperial conference may change the constitution of Canada or the constitution of any other dominion is an absurdity. The conference has no power to do that and it could not undertake to do it. There was formerly throughout the British Empire a school of opinion favouring a sort of imperial federation or the creation of a central body representing all parts of the empire and having executive duties and powers. This scheme has been rejected by the overwhelming will of the peoples of the empire. We would never accept it in Canada; we would never agree that problems affecting Canada should be decided by a body in which Canada would be submerged and in the minority, and where decisions would be reached by a majority composed of friendly people, if you will, but friendly outsiders.

But if we do not want a central body with executive powers over all the nations of the empire, we also do not want disruption. We want to preserve as much as possible the association of the nations of the commonwealth, and the Imperial conference is one of the means of preserving if possible this association by promoting friendly meetings, friendly discussions of problems, and friendly intercourse. I repeat: The Imperial conference of 1926, no more than Imperial conferences of the past, could not alter or change one iota of the British North America Act or the constitution of any other part of the empire. What the conference could do and did was to affirm, to reaffirm, principles which have gradually come to establish themselves very firmly in place of other principles which governed in the past with regard to the status of the nations of the empire, and to call attention to certain usages, conventions, or practices which may not altogether harmonize with the adopted principle of equality of status of all the nations of the commonwealth.

These premises being laid, I state, whatever may be said to the contrary, that the achievements of the conference of 1926 and the spirit of coöperation which alone could make them possible, make it an historical event in the history of the British commonwealth of nations. The conference has crystallized the principle of equality of status which was already recognized and which was the logical outcome of the development of the various nations. It has published a definite, clear and official adherence to that principle. It has done so in such a way as to make it the greatest contribution to the permanency of the free association of the nations of the commonwealth. It is the final and unequivocal acceptance of the principle of unity and liberty, unity preserved and enshrined in the British throne, and liberty in all domestic and external activities of the various nations of the commonwealth. It is no longer, as has been said by some writer, the case of "daughter am I in my mother's house, but mistress in my own". The family is a family of sisters equal in their rights and activities.

It is a magnificent tribute to the broad-mindedness, wisdom and statesmanship of the public men of Britain that they have unequivocally accepted this great principle that the foundation of the commonwealth rests upon the solid rock of liberty, economy and equality of the various parts thereof. It is stated in the report that such a tendency was both right and inevitable. In this they do not agree with some Canadian newspapermen, but I think their opinion is more free from bias and political partisanship than those of our contradictors on this side of the ocean. May I say that I have been surprised to find that some hon. gentlemen on the other side of the House and their supporters in the press have taken exception to the principle of equality of status and equality of nationhood.

Mr. McGIBBON: No.

Mr. LAPOINTE: Who says no?

Mr. McGIBBON: I do.

Mr. LAPOINTE: If my hon. friend will take the Hansard of this session and read the speech of his leader, he will see that although my hon. friend the leader of the opposition yesterday changed to some extent his line of attack and is now hanging his amendment upon a sentence of the Imperial conference report concerning the Privy Council, he did not do so in his speech on the address. Then it was equality of status that was harmful and dangerous for the minority in this country. The press of Canada supporting my hon. friends opposite are not agreed among themselves, because there are two schools of critics, one claiming that no change has been made, and the other claiming that a terrible and a dangerous change has been made. To the first school I say that if the

dominions were satisfied to accept their views in the matter, then, to use the language of a great British writer, they would not be worthy of the stock from which they sprang. But it is not the assertion of a new doctrine, and my friend the leader of the opposition has seen to some extent the error of his ways in that respect, for in his address yesterday he said that he agreed with the principle of equality of status. Still, I want to set the matter right before the Canadian people. I want to show that it was not a new principle which was crystallized, if you will, in the report of the conference, but a principle to which adhesion had been given in the past, and especially during the last ten years, by the public men of Canada both in this House of Commons and elsewhere. I shall not quote the words of my late lamented leader, Sir Wilfrid Laurier. I wish to quote the words of writers or speakers friendly to hon. gentlemen on the other side of the House. Let me first quote from the memorandum which Sir Robert Borden circulated on behalf of the prime ministers of the dominions in March, 1919, when the present leader of the opposition was a member of his government:

All the treaties and conventions resulting from the Peace conference should be so drafted as to enable the dominions to become parties and signatories thereto. This procedure will give suitable recognition to the part played at the peace table by the British commonwealth as a whole, and will, at the same time, record the status attained there by the dominions. The procedure is in consonance with the principles of constitutional government that obtain throughout the empire. The crown is the supreme executive in the United Kingdom and in all the dominions, but it acts on the advice of different ministries within different constitutional units; and under resolution IX of the Imperial War conference, 1917 the organization of the empire is to be based upon equality of nationhood.

The leader of the opposition, as I said, was a member of the Canadian government at that time. He is responsible for the doctrine asserted in that document, but I do not remember that he submitted it to the House of Commons either before or after that document was circulated. It goes on:

It was the reiteration of the principle laid down by the Imperial War conference of 1917, which stated in their resolution, "that any readjustment should be based upon a full recognition of the dominions as autonomous nations of the imperial commonwealth."

The word "autonomous" did not seem to agree with my hon. friend the leader of the opposition yesterday—

Mr. GUTHRIE: Oh yes, it did.

Mr. LAPOINTE: My hon. friend seemed to be horrified by "autonomous."

Mr. GUTHRIE: No, no.

Mr. LAPOINTE: I am glad to see my friend is coming back to the light of yesterday.

Mr. GUTHRIE: There was nothing in my remarks yesterday that would justify the statement of my hon. friend. However, I do not want to interrupt him.

Mr. LAPOINTE: Very well. May I also quote from the despatch sent on December 4, 1918, by the government of Canada to the Right Hon. Sir Robert Borden, Prime Minister, then in London. The government here, of which my hon. friend the leader of the opposition was then a member, was afraid that even Sir Robert Borden would not go far enough then, and they sent him a telegram reading as follows:

Council to-day further considered Canadian representation at Peace conference and is even more strongly of opinion than when you left that Canada should be represented. Council is of opinion that in view of war efforts of Dominion other nations entitled to representation at conference should recognize unique character of British commonwealth composed of group of free nations under one sovereign and that provision should be made for special representation of these nations at conference even though it may be necessary that in any final decisions reached they should speak with one voice. That if this is not possible you should form one of whatever delegation represents British commonwealth.

Those of us who had the privilege of being members of the House of Commons in 1919 will remember the pride with which the members of the then administration spoke in the House of Commons of the tremendous step forward they had achieved in acquiring equality of nationhood for Canada in the British commonwealth, and they were rather abusive of the members of this House who did not see exactly eye to eye with them in the matter. The then Minister of Justice asserted, in the name of the government, Canada's absolute right constitutionally to govern herself in accordance with the laws made by the parliament of Canada. Listen to his words:

It has not been claimed on this side of the House that this treaty made Canada a nation; nor has it been claimed that anything that happened at the Peace conference made Canada a nation. Canada has grown to nationhood and Canada is a nation; and she does not go seeking anywhere to any of the allied or associated powers, to any foreign power, to Great Britain herself, to the entire Peace conference, to con-

fer upon her the gift of nationhood. Peoples, starting under the tutelage of other countries that have sent forth their sons to establish colonies, in the course of time, as they grow, come to acquire qualities that belong to no colony. What is the proper position of a colony as towards its mother country? Why, it is the position of a child in the nursery. It takes the directions of its mother country: it follows the mother country without any question in whatever line of action that mother country chooses to adopt as governing its conduct towards the outside nations of the world. And when that line of conduct leads to conditions that call for the facing of those outside nations in arms, while the relationship is purely that of guiding and governing mother country and dependent colony, then it is the business of the mother country to provide not only for her own defence, but to carry upon her own shoulders the burden that may result from the line of conduct which she and she alone has chosen to adopt; and if her child colony over there, that had nothing to say about how those conditions were brought about, is exposed to danger, it is for the mother country to defend it. Was that the situation in regard to Canada? Nationhood is a matter of fact; it is not a question of what is written in a statute book or what is declared by one nation in relation to another.

Mr. MANION: Whom is the minister quoting?

Mr. LAPOINTE: The then Minister of Justice, the Right Hon. C. J. Doherty. But he used even stronger language. At page 196 of Hansard, 1919, he said—and these words have much bearing on the present debate:

As regards the constitutional question the hon. gentleman has told us, and a number of others have also stated, that we have a written constitution and that that is the last word. We have a written constitution enacted for what purpose? It was enacted to distribute throughout this federal country the powers of legislation. The Privy Council is on record as having said that the whole field of legislation had been by that act conferred upon the Dominion of Canada, either upon its central parliament or upon the parliaments of its provinces. When that was done the last work that a written constitution could do was done. But because we had that written constitution we did not cease to live under that British constitution that is not written in books, that rests upon the continued practice of the British people—of the people of the British Empire, which includes us Canadians as well as the people of the United Kingdom. I was surprised the other evening to hear the hon. member for Dorchester (Mr. Cannon) say that the British constitution was limited to the United Kingdom, as though we had not all of us for years boasted—and no man did it more frequently nor more eloquently than the late leader of the Liberal party—of our enjoying all the benefits and advantages of the British constitution—and it is not all written in the British North America Act.

I do not want to read it all, but I will simply quote the last words:

I have referred to the recent discussion with regard to the aviation law. Over in Great Brtiain they recognize our national status and that constitutionally the whole field of government of Canada is ours. It is only in this country that you find the little man who wants to hang on to the colonial status of his country and to insist that she is subordinate to and to be governed by another portion of the empire. However great that portion may be—and we all respect it, we all recognize what she was the source of for us all, and we shall all be happy to recognize her as the first among these equal nations—we contend that, as a matter of fact, we stand as an equal nation within the empire.

The then President of the Privy Council, Mr. Rowell, and the Minister of the Interior, who was then Mr. Meighen spoke along the same lines and defended the same principle. I suppose that my hon. friend the leader of the opposition was in accord with them at the time. In 1921 the Prime Minister of Canada, in one of his speeches published in a book entitled Overseas Addresses, at page 15, says:

We legislate each for ourselves unfettered; we advise through separate councils a common sovereign; we confer together in order to better understand the wider over-riding common interest; between a sense of independence and a sense of unity there is no clash but harmony. On these principles our own league of nations has survived, and it has served the world wonderfully well.

Mr. Meighen, during the same debate said —and I find his words in Sir Robert Borden's book Canadian Constitutional Studies, pages 113 and 114—

In May 1921, the Canadian Prime Minister—

In the Manchester Guardian centenary number, May 5, 1921

—declared that the relations between the constituent parts of the empire must be based upon a conception of complete freedom and equality in national status. Further he observed that the practical need would be met by clearly understood and definitely accepted declarations of principle with improvements in so much of the form and content of the existing mechanism as may be found to be obsolete.

I could quote numerous words of Sir Robert Borden, especially in his book on constitutional studies, but I suppose it is useless for me to do so. The same doctrine was preached and expounded by all the statesmen of the other dominions, and may I especially mention Mr. Hughes of Australia and General Smuts of South Africa, and they were accepted by the Prime Minister and the various public men of Britain. I have quotations here from Lord Milner, Mr. Amery and Mr. Lloyd George but I would not like to trouble the House by reading them. Never did my hon. friends opposite, who were at the head of the

government, express any fear as to the working of the theory of equality with regard to minorities or any other sections of the Canadian people.

May I remark that in all these discussions which took place the statesmen of Great Britain and the empire referred to history and emphasized the fact that the present organization of the empire and the problems of government which it presents cannot be understood unless they are studied in the light of historical development. Not only is it the result of a long historical growth, but it is dependent on unwritten conferences, delicate adjustments and slowly established practice. It follows that it is not only not the law or the written documents which must be consulted, but also history and the understanding and the ideas of the people, and the meaning of the outward forms of our institutions. One of the great features, I believe, of the report is that which affects the king. The king is recognized more than before as the keystone of the structure of the empire. He becomes the head of each state of the commonwealth in a more intimate and national sense. As a result of this his position is probably more secure than ever. Whoever directs the affairs in Great Britain, whatever government is called to power in Great Britain, will see to it that the only bond which keeps the various nations of the empire together is permanently retained. The moment that republicanism has overthrown many of the thrones of Europe the British monarchy has got to increase its prestige. The crown centralizes the common ideas and the common traditions of the commonwealth. In this connection may I quote some words of His Royal Highness, the Prince of Wales, in one of his public utterances:

> The king, as the constitutional sovereign of the empire, occupies exactly the same place in Canada and in the whole British Empire as he does in Great Britain, and his house, although originally founded in Great Britain, belongs equally to all the other nations of the commonwealth.

Mr. Speaker, I have dealt perhaps too extensively with this school of critics who claim that a big change was brought about by the conference. I will now deal with the other school which says nothing was done. I will point out some of the things which the conference did, not for the purpose, as I have already said, of creating a new status, but of harmonizing the existing conditions with the principle universally adopted and recognized. I will deal briefly then with the subject from three standpoints, the political, the legislative and the judicial. In the political field some modifications have been agreed to regarding the form of treaty and the proceedings accompanying such treaty. I had the honour to be appointed chairman of the committee which was charged with the duty of considering all matters relating to treaties. This was a very important committee indeed, and its work was a difficult one, but I am pleased to say that a solution was found which was acceptable to all members of the committee. It is impossible for me to deal at length with this particular subject, but perhaps I may mention what the practice in future will be as a result of the work of the committee. Hereafter treaties will be made and signed, not by and for the British Empire, but by and for Great Britain and such other portions of the empire as may be concerned in those treaties. Heretofore, even though we might be interested in any treaty of any description, if we were not represented during its negotiation and at the signing of it, the treaty was entered into nevertheless in the name of the British Empire as a whole. The change in the wording of the treaty in this regard is of the utmost importance. There will be no longer any need of the provision which has been known as the exclusion clause, such for instance as was incorporated in the Locarno treaty. That clause was to the effect that the treaty in question could be enforced in any of the dominions only after they had agreed to come within its provisions. Such a clause, as I say, will no longer be necessary; it will serve no useful purpose for the reason that we shall be involved in any treaty only if we are a party thereto. Treaties will be made by the king not in the name, not of the British Empire but on behalf of Great Britain and whatever other section of the empire may be a participant in and a signatory to the negotiations.

Another important change concerns the appointment of plenipotentiaries representing the king in connection with negotiations leading up to treaties and the signing of those treaties. When a few years ago I was appointed plenipotentiary to negotiate a treaty with the United States it was stated by constitutional writers that no real change had been made inasmuch as my appointment by His Majesty the king was the outcome of an order in council passed by the Imperial government.

The same with regard to the issuance of powers and the ratification that must take place after the signing of a treaty. That ratification was also made by His Majesty the king upon an order in council of the Imperial government and not of the Canadian government, even where Canada was concerned. Now treaties signed on behalf of Canada will be signed by a plenipotentiary appointed by His Majesty the king upon a recommendation of the Canadian government, and the issuance of powers will be made also upon the recommendation of the government of Canada. In the same way the ratification of treaties will be carried out upon the recommendation of the government of this Dominion. All the other formalities which, according to constitutional writers, have been adhered to as symbolic of the unity of the empire have been discarded as being no longer in harmony with the conditions now prevailing among the nations of the empire; for, as I have pointed out, the one great symbol of unity now is His Majesty the King. Let me observe that for this as for most of the other matters included in the report there is no need for any legislation; all that is needed is to harmonize the practice and usages with the present constitutional position of the dominions.

I come now to an objection raised yesterday by my hon. friend from Labelle (Mr. Bourassa) that possibly we might now be tacitly involved in a treaty in which we had taken no part, by reason of the fact that we had not responded to the call of the government initiating the treaty. In consequence of the change that has been brought about, all the nations of the empire are on the same footing, and no treaty must necessarily be initiated by Great Britain. We in Canada have the right to initiate any treaty which concerns ourselves. If we initiate a treaty relating to matters in which some of the other dominions may have an interest, surely it is our duty to inform those dominions in that respect. Take for instance the case of a treaty which we might enter into with the United States with regard to the fisheries in the Atlantic in which Newfoundland would be concerned. Our duty, in accordance with the procedure that has been accepted, would be, before entering into negotiations, to inform Newfoundland of our intention to make a treaty with the United States in that matter, and if Newfoundland desired to join she would be free to do so. If, on the other hand, she did not answer—and only in that case—then undoubtedly we should be free to carry on our negotiations and Newfoundland could not complain. But there is a reservation: Newfoundland would not be in any way bound should the treaty in any way involve her in active obligations. In such a case Newfoundland, or any other dominion for that matter, although she might not have responded, although she might have neglected to declare her position in the matter after being informed of the intention of the Canadian government to enter into negotiations, would not be involved in any active obligation as a consequence of the making of that treaty. Even here the principle of the equality of status is confirmed more markedly than it was before because, as I have stated, we are all on an equal footing. If a treaty concerns us we have the right to initiate it and we inform Great Britain or any other part of the empire of our intentions in the matter if they are interested therein.

Mr. GARLAND (Bow River): Just how far does the principle of equality of status extend? Does it extend, for example, to treaties involving assistance in the event of war?

Mr. LAPOINTE: No, I am sure it does not, and this by reason of these words:

> It must, however, before taking any steps which might involve the other governments in any active obligations, obtain their definite assent.

In any case where any other government may be involved in active obligations—and the hon. member is referring to a case in which there would be such obligations—then the definite assent of the government involved must be given.

Mr. GARLAND (Bow River): Is this the implication of the minister's remarks, that Canada in future will hold a neutral position unless she has given her assent to participation in such a treaty?

Mr. LAPOINTE: The discussion of that phase of the matter would lead me into a long argument.

Mr. GARLAND (Bow River): But it is so essential.

Mr. LAPOINTE: I say that Canada will always be free to take whatever steps she thinks fit. She will not be bound to any active obligation.

Now, as to foreign affairs, the outstanding feature of the report is, I believe, the definite recognition that neither Great Britain nor the dominions are committed to any active obligations except with the assent of their own governments or parliaments. It is stated clearly in the report. The hon. member for Labelle (Mr. Bourassa) yesterday invited me to speak of the Locarno treaty, owing to the

fact that some one had made reference to it in the British House of Commons. If my hon. friend reads the resolution in the report, as I am sure he has done many times, he will see that it is merely an expression of congratulation to the Foreign Secretary of England for the part he took in trying to bring about peace in Europe. I do not think I am betraying any secret when I say that we have taken the position that we are not bound by the Locarno treaty, which was initiated and entered into by the British government without the coöperation of Canada. I have no criticism to offer in that respect; it was largely a matter of concern to the government of Great Britain, and was a European matter. As I have seen it expressed in the newspapers of this country, we may be bound to some extent if there is a war between the nations which are signatories to the treaty; we may have some obligation on account of our membership in the British commonwealth of nations and as members of the League of Nations, but our obligations as British subjects and as members of the League of Nations are quite different from the obligations which we would assume if we were to guarantee the boundaries between France and Germany, thus assuming obligations with regard to foreign powers at a distance of over 3,000 miles from the limits of Canada. I think we have exactly the same reason for not entering into that treaty as Great Britain had when she refused to give the same guarantee to the eastern boundary of Germany as she gave to the western boundary. The eastern boundaries of Germany touch on Poland, and in that connection the British government refused to sign any guarantee. That guarantee was signed by France, but the British government refused to be involved in the question of the boundaries on the eastern side of Germany because they were too remote, and the same reason would apply with us so far as the western boundary is concerned. So I may say to the hon. member for Labelle that Canada has not ratified the pact of Locarno and is not a party to it.

The change with regard to the Governor General also comes under this heading of political modifications. The Governor General is no longer in any respect an officer of the Imperial government; he has virtually the position of a viceroy, having the same prerogatives and powers as His Majesty the King. He is no longer a channel of communication, as he formerly was, and although in this country I have heard and read that this was not a change, the gentlemen representing Britain who signed the report had a different conception, because they state in the report that it is a change.

Mr. McGIBBON: May I ask a question? Was not the same thing agreed to at the conference which Sir Robert Borden attended?

Mr. LAPOINTE: I answered that question before it was asked. Indeed, it was a change going much deeper than most people realized. Heretofore the Governor General, notwithstanding what was stated to the contarary, was the representative of the British government, as well as the representative of the king. He acted as a channel of communication between the governments of Great Britain and the dominion; he represented to the Dominion government the wishes of the British government, and kept the British government in touch with the views of the Dominion executive. There was certainly something anomalous in the position of a Governor General who was bound to accept the advice of his ministers but who was at the same time informing another government of the policies and the wishes of those same ministers. It may be that it is important, and I think it is, that the British government should be represented in Canada as Canada is represented in the capital of the empire, but the British government must and should be represented by an official who would not be the representative of the king and who would not be the Governor General of Canada.

So far as the legislative sphere is concerned, it is in some respects difficult to harmonize the principle of equality with existing conditions and with special situations which have to be considered. Here is what the report says with regard to the general principle covering the matter:

> On this point we propose that it should be placed on record that, apart from provisions embodied in constitutions or in specific statutes expressly providing for reservation, it is recognized that it is the right of the government of each dominion to advise the crown in all matters relating to its own affairs. Consequently, it would not be in accordance with constitutional practice for advice to be tendered to His Majesty by His Majesty's government in Great Britain in any matter appertaining to the affairs of a dominion against the views of the government of that dominion.
>
> The appropriate procedure with regard to projected legislation in one of the self-governing parts of the empire which may affect the interests of other self-governing parts is previous consultation between His Majesty's ministers in the several parts concerned.

The points on which there seems to be a conflict with the doctrine of equality are very few. They are the powers of disallowance and in some cases reservation of dominion legislation, the doubt as to the powers of the dominion legislatures to enact laws having to do with extra-territorial jurisdiction, and

more particularly the provisions of the Colonial Laws Validity Act of 1865. Nothing definite has been suggested in the report as to the change which should be made with regard to these subjects, but the conference has recommended that a committee of legal experts should be appointed by Great Britain and the representatives of the dominions to inquire into the whole matter and make recommendations that would safeguard all interests and still agree with the general principle laid down by the conference.

I will deal briefly with each one of these subjects. I am glad everyone who has so far taken part in the debate, even my hon. friend the leader of the opposition, has agreed that the power of dissallowance is obsolete and can be said at present to have no constitutional effect. Indeed, Sir Robert Borden used very strong language in that regard, when he said that this power is constitutionally dead. There are, however, in the constitutions of some dominions, matters which have to be reserved for the assent of the king in order to protect certain particular interests. For instance, laws affecting alterations of the powers of the states of the Commonwealth of Australia have to be reserved for the assent of the king under the constitution of Australia; laws affecting the constitution or powers of the provincial councils of South Africa and certain acts of the lower house there must also be reserved. All these features would have to be considered by the committee of legal experts.

Perhaps at this stage I might say something about the rights of the various dominions to change their own constitutions. I have already had occasion, even during the present session, to refer to the British North America Act, and to give the reasons why in that constitution power was not given to the Dominion of Canada to alter it. Confederation was a compromise. The provinces agreed to give up some of their powers and entrust them to the federal authority, while taking to themselves certain other powers, and within the limits of their jurisdiction they are as supreme and they have just as many rights of self-government as the Dominion of Canada has within its own jurisdiction. The power of altering the constitution was not given in the British North America Act because of the circumstances of this country, to which I need not refer. In Australia, New Zealand, South Africa and the Irish Free State they have this power of modifying their own constitution, but not to as large an extent as some people seem to think.

Mr. BENNETT: Except Australia.

[Mr. Lapointe.]

Mr. LAPOINTE: Australia? Well, some of the states of Australia cannot—

Mr. BENNETT: I mean the commonwealth.

Mr. LAPOINTE: The commonwealth itself has wide powers, but they have to be exercised by absolute majorities in both houses of parliament and approved on referendum by the electors; and every time any change with regard to the relations between the commonwealth and the states of Australia has been sought that change has always been defeated when the referendum went to the people. In New Zealand some important constitutional changes would have to be reserved for the royal assent. In South Africa changes affecting the number and distribution of seats in the lower house, the native franchise in the Cape province, and equality of the Dutch and English languages can be brought about only by two-thirds majority of both houses at a joint sitting.

Mr. BENNETT: After ten years.

Mr. LAPOINTE: Yes, after ten years, and as I said before, changes affecting the provinces of South Africa have to be reserved for the assent of the king. In this country, as I have already stated, the provinces are autonomous in their own sphere. The crown acts with regard to provincial matters upon the advice of the government of the province. As I had occasion to state in other circumstances, when we speak of the autonomy of Canada we speak of Canada as the confederation of nine provinces, each one of those provinces having as supreme powers within its own sphere as the federal authority here has with respect to its sphere. May I quote here the words of Sir Robert Borden in the House of Commons in a speech delivered in 1917 with regard to the crown acting upon the advice of the provinces in those matters:

> The crown acts in the United Kingdom and in all the self-governing dominions of the empire, it acts in the United Kingdom upon the advice of the ministers of the United Kingdom, it acts in each of the dominions upon the advice of the appropriate ministers—in federal affairs, upon the advice of federal ministers; in provincial and state affairs, upon the advice of provincial and state ministers. It is the same crown throughout, acting upon the advice of different ministers. That tie of allegiance to the crown is the tie which chiefly binds together the empire to-day so far as constitutional considerations are concerned.

The language of the report preserves the right of the provinces which are absolutely self-governing in those matters coming within their jurisdiction. The principle of equality

is not, I submit, affected by such condition, which is merely the expression of the will of the people.

Many people claim that the fact that we cannot in this parliament alter our own constitution is creating a state of subordination. I claim that so long as this condition exists because of the will of the Canadian people, a condition which will exist as long as the Canadian people wish it to do so, changes that could be made shall have to be made by the parties to the contract. But that condition, which is dependent upon our own wish in the matter, does not, I claim, create a state of subordination. I deny most emphatically that a condition of subordination and colonial inferiority is essential to the preservation of the rights of minorities in Canada. And let me tell the leader of the opposition that those for whom I claim I have some right to speak, have always fought for responsible government and for self-government in this country, for freedom and national status within the British Empire and under the British crown.

As I have already stated, the report of the conference does not and could not in any way modify the pact of confederation. Let me say, without any hesitation, however, that in this matter I entirely agree, without any reservation, with my hon. friend from Labelle (Mr. Bourassa), to the effect that our own protection, as far as those rights are concerned, depends upon ourselves, that we must look to ourselves for the safeguard of our rights and our interests. No authority outside of Canada can effectively protect them for us. We must rely upon ourselves for the safeguard and protection of those rights, working in coöperation and understanding with our fellow Canadians in this country. It would not be possible, Sir, to secure the permanent adhesion of any section of the Canadian people to any plan whereby there would be any political force superior to their own government and their own constitution which could, even indirectly, have authority to control their actions. It is not an act of isolation or indifference; it is an act of readiness to serve in the nation's own way. If Canada goes wrong, she will go wrong on her own responsibility and on her own motion, but Canada will never go wrong; I think I may say that.

Now my hon. friend read yesterday what he said were words of the premier of Quebec published in the Round Table. I may say that I have a letter from the premier in which he is far from blaming or criticizing the part which my right hon. friend and myself have taken in the conference; and he took the trouble to send me—because some newspapers had reported him in that light—a copy of the Chronicle-Telegraph, in which his speech made on the occasion when Lord Willingdon was in Quebec, appeared in its entirety. Here is what he said:

> Since these last few days, I am still prouder because Canada and the other dominions, by unanimous consent, have been admitted, on equal terms, to the family table.
>
> The British Empire is to-day a great and powerful society of great and powerful nations. They are not united by chains even of golden links, but by bonds much stronger, which appeal much more to human hearts and human minds, bonds of mutual trust, common interests, sincere and everlasting friendship. Such bonds are unbreakable, and I admire the spirit that prevailed at the Imperial conference and which brought out such results. Never could the bonds which unite us be stronger than those by which we are held together.

If I read English well, this is not a criticism. May I now say a few words concerning the rights claimed by Canada and other dominions to have extra-territorial effect attach to their legislation?

Mr. MANION: May I ask a question for my information and for the information of the House? I am trying to understand the minister as I generally do. Do I understand him to say that his attitude is that he would be perfectly satisfied to see the parliament of Canada absolutely able to change our constitution as regards all matters relating to our internal affairs without submitting the question to the Privy Council in England?

Mr. LAPOINTE: Why should my hon. friend say that when, even in a debate which we had during this session, I opposed a motion to that effect coming from an hon. member? I said that no change has been made. I said that no change to the British North America Act can be made without the consent of the parties to the pact and I have said that in this speech. My remarks concerning minorities in Canada are quite independent of that. I said that no change had been made; but as regards the protection of minorities, I have not the fears which the leader of the opposition has.

Mr. MANION: I do not wish in any way to put words into my hon. friend's mouth, but I listened as attentively as I could and I drew that conclusion from his remarks. Some of my hon. friends say that they drew the same conclusion, so that my hon. friend is somewhat to blame.

Mr. LAPOINTE: The hon. member wants to attach that impression to my remarks.

Mr. MANION: I do not.

Mr. LAPOINTE: I am well aware of the language I have been using; I have given some attention to the preparation of this speech, and I do not think any hon. member will be able to lend to my remarks a sense which they do not possess. I know what I mean and I think I am saying it pretty clearly.

Mr. MANION: I think the hon. member should thank me for making his remarks clear, because it was not clear to me.

Mr. LAPOINTE: If my hon. friend thinks he deserves my thanks I will extend them to him with great pleasure, but I think we shall wait until my remarks appear in Hansard.

Mr. MANION: I can get along without the thanks.

Mr. LAPOINTE: I can get along without the interruption too. There has been doubt as to whether the dominions possess the right to give to their legislation or enactments extra-territorial effect. The courts have decided both ways. At times the Privy Council has decided in favour of granting that right to the dominion, and at other times it has denied that right to the dominion. The courts in the dominions themselves have also not been unanimous in that respect. We in Canada have always claimed that we have that right. The hon. member for St. Lawrence-St. George (Mr. Cahan), who seems to be absolutely adverse to changes, I know has not claimed it; but the governments of Canada have claimed it and the matter has more than ever after the war come to a head from a practical standpoint.

In 1920 the president of the Air Board asked this government to take the necessary steps to make it clear that legislation or regulations concerning aviation would follow Canadian subjects even after they had crossed over the boundary line. We have the same complication with regard to customs matters. It seems necessary for Canada that Canadian subjects who, for instance, conspire outside the limits of this country to defraud the public treasury, should be amenable to the laws of the land. In 1920 the then government—and again I must say that the leader of the opposition was a member of it—adopted an order in council asking the Imperial government to amend the British North America Act so as to make it clear that Canada has this right of extra-territorial jurisdiction. May I be permitted to read a couple of sentences from that order in council, because its language suits me better than the present language of some hon. members opposite? It reads:

Whether the laws of Canada in like cases impose a similar obligation upon the domestic tribunals may be a debatable question, and the purpose of this report is to submit that the existence of any doubt as to the propriety of resolving that question in the affirmative is incompatible with the true purpose and intent of the constitution of the Dominion, and the position which Canada occupies as a constituent state of the empire exercising with respect to all matters appertaining to the self-government of Canada, sovereign legislative authority.

And further there is this fine language in the order in council:

In the growth of the constitution the United Kingdom and the dominions have under His Majesty relations which may be assimilated to those of independent sovereign states—

If a Liberal had even written or signed such a doctrine it would be termed a rebellion.

—each exercising within its own compass exclusive and independent sovereign powers of legislation and government, and which make it constitutionally the duty of the parliament of the United Kingdom on the one hand, to see that its legislation does not invade the appropriate sphere of dominion authority, and for the parliament of the dominion, on the other, to see that its legislation is confined within that sphere. By the observance of these principles perfect harmony is ensured, but the attribute of unlimited sovereignty with its incidents is just as essential for the peace, order and good government of Canada within its constitutional range of authority as it is for the United Kingdom within its own domain, or for the empire as a whole in relation to imperial affairs.

Mr. BENNETT: Whose order in council did the minister say that was?

Mr. LAPOINTE: It is dated the 5th February, 1920.

Mr. BENNETT: On the recommendation of whom?

Mr. LAPOINTE: On the recommendation of the Minister of Justice.

Mr. BENNETT: That is what I thought.

Mr. LAPOINTE: My hon. friend says: "That is what I thought," but the Minister of Justice did not pass the order in council.

Mr. BENNETT: No.

Mr. LAPOINTE: He recommended it; it was passed by the government, and the leader of the opposition was a distinguished member of that government. After this was

adopted by the government of that day, steps were taken for the purpose of giving effect to it. A resolution was first introduced into and adopted by parliament; but its language did not suit the officers of the crown in England, and I myself two or three years ago introduced a new resolution, the language of which had been agreed to in both England and Canada. Unfortunately that resolution was amended by the Senate in a way that made it quite unworkable; but we have the assurance that when an address is sent by the Dominion of Canada to the Imperial parliament, we shall obtain that change. The reason why no step has been taken in that direction this year is because this question of extra-territorial jurisdiction is submitted to a committee and there is no reason why we should precipitate ourselves in the matter.

Mr. CAHAN: What was the nature of the resolution to which the Minister of Justice referred?

Mr. LAPOINTE: This is how it reads:

An enactment of the parliament of Canada if expressed to operate extra-territorially shall have and be deemed to have had that operation if and in so far as it is a law for or ancillary to the peace, order and good government of Canada.

Mr. CAHAN: Was that an address to secure an amendment at that time to the British North America Act?

Mr. LAPOINTE: That was made by way of an address. I come now to the Colonial Laws Validity Act, which is one of the imperial enactments which is going to be considered by this committee of legal experts. It is indeed a relic of olden days when only a partial measure of self-government was enjoyed by the dominions. By the Colonial Laws Validity Act, which is an act of 1865, it is enacted that:

Any colonial law which is or shall be in any respect repugnant to the provisions of any act of parliament extending to the colony to which such law may relate, or repugnant to any order or regulation made under authority of such act of parliament, or having in the colony the force and effect of such act, shall be read subject to such act, order, or regulation, and shall, to the extent of such repugnancy, but not otherwise, be and remain absolutely void and inoperative.

It is on the provisions of this act that the Privy Council last year declared invalid article 1025 of the Criminal Code of Canada, which prohibited appeals to the Privy Council in criminal matters, and the judgment that was delivered was based on this act because there are in existence, as my hon. friend from St. Lawrence-St. George (Mr. Cahan) said the other day, two old laws, one of 1833, and one of 1844, granting to subjects of His Majesty in the colonies the right to take their case to the Privy Council.

Mr. BENNETT: Colony or dominion.

Mr. LAPOINTE: Or dominion, but at that time there were really no dominions in existence. I must say that Sir John Thompson, when he was Minister of Justice for Canada, took a strong attitude to the effect that in matters which were within the jurisdiction of the Dominion of Canada under the British North America Act, the legislation of Canada superseded the legislation of the Imperial parliament passed prior to the enactment of the British North America Act. Though I do not like to place my opinion beside that of such a distinguished Minister of Justice as Sir John Thompson was, I do not agree with him, and as a matter of pure law I think the Privy Council was right in saying that the Colonial Laws Validity Act rendered invalid and unconstitutional article 1025 of the Criminal Code. I do not know whether my hon. friend from West Calgray will agree with me in that.

Mr. BENNETT: My hon. friend has left out one sentence that he intended to say. The Privy Council decided that with respect to Canada the section is binding. I wholly agree with my hon. friend.

Mr. LAPOINTE: What I say is that article 1025 of the Criminal Code was on the statute books of Canada from 1888; it had been accepted by the people of Canada, and if any old legislation, legislation almost one hundred years old, obstructs the will of the Canadian people, I am in favour of repealing it. I may say that we were to submit a question in this regard to parliament during this present session, but it has been postponed to the next session owing to the appointment of the committee which is going to deal with this matter.

Now I come to the question of appeals to the Privy Council, which was perhaps the most interesting and the most important part of the remarks of the leader of the opposition yesterday. I call the attention of the House to the language of the report concerning appeals to the Privy Council. It says:

Another matter which we discussed, in which a general constitutional principle was raised, concerned the conditions governing appeals from judgments in the dominions to the judicial committee of the Privy Council. From these discussions it became clear that it was no part of the policy of His Majesty's government in Great Britain that questions affecting judicial appeals should be determined otherwise than in accordance with the wishes of the part of

the empire primarily affected. It was, however, generally recognized that, where changes in the existing system were proposed which, while primarily affecting one part, raised issues in which other parts were also concerned, such changes ought only to be carried out after consultation and discussion.

The leader of the opposition took strong exception to this part of the report of the conference; indeed, it was upon this part that his fears were based with regard to the rights of minorities in Canada. I may say that this part of the report is simply stating what the facts are; it is stating the position as it exists, and I am ready to join issue with my hon. friend in that regard. I took the position at the conference, and I am pleased to reiterate it here, that in so far as appeals to the Privy Council are concerned, there are differences of opinion in Canada as to whether or not they should be retained. I myself would not be in favour at the present time of doing away with appeals to the Privy Council, but the position I took there, and the position I take here, is that it is for the people of this Dominion of Canada to decide whether they want to retain these appeals or not. These questions I think ought to be discussed not in a political sense altogether, and I am afraid that there was some political flavour to the remarks of my hon. friend yesterday and to the amendment with which he concluded his remarks. However, if he wants to place this question in the political arena, I for one am prepared to follow him into that arena, and to plead that it is for us in the Dominion of Canada to decide whether we want to retain those appeals or not. In saying that, Mr. Speaker, I am only following the stand that was taken in 1875, fifty years ago, by Edward Blake when he was Minister of Justice for Canada. Edward Blake claimed that it was for Canada to decide as to that, and I repeat with Edward Blake with regard to this prerogative, which is called an imperial prerogative—that is, the right of any British subject to go to the foot of the throne with his case—how is it that this prerogative does not apply to His Majesty's subjects in Great Britain? How is it that the people of the colonies enjoy the exercise of this prerogative when the people of Great Britain can have final judgment passed by the courts of their own land, without appeal to the Privy Council? I am not one of those who believe that we should do away altogether with appeals to the Privy Council. I think that in some matters, for instance matters regarding constitutional issues, the gentlemen of the Privy Council should hear our appeals, although in that loyal state of Australia they have done away with the right of appeal on constitutional matters—and for what reason? They said it was for those in Australia who knew the conditions in the commonwealth to decide as to Australian matters, and certainly any citizen of this Dominion is free to proclaim whether or not he believes in the retention of appeals to the Privy Council.

Mr. GARLAND (Bow River): Will the minister give the House one real reason why he still adheres to the idea of that form of subordination?

Mr. LAPOINTE: I must say that I think that on questions arising for instance between the Dominion and the provinces with regard to matters which the provinces claim are within their jurisdiction, and in respect to which they are in conflict with this Dominion, it may be proper that the appeals should be to the Privy Council, but I am not a fanatic in regard to this matter at all.

Mr. GARLAND (Bow River): I had hoped the hon. minister was not, because recalling a sentence of his speech recently, I took it he did want to be inconsistent. On ourselves we must depend for protection of our rights and toleration as among ourselves. I would like him to apply that principle to this matter.

Mr. LAPOINTE: That does not mean that I am opposed to appeals to the Privy Council. But I must say it is not the Privy Council on which I rely for the protection of my rights or the rights of others.

Mr. GARLAND (Bow River): Then why not do away with the appeal to it?

Mr. LAPOINTE: It is a question for discussion and deliberation, but I would not like to say that I would favour doing away altogether with appeals to the Privy Council.

Mr. GARLAND (Bow River): The minister is getting very near it.

Mr. LAPOINTE: I have a strong leaning.

Mr. CAHAN: Sliding downhill very rapidly.

Mr. LAPOINTE: My hon. friend the leader of the opposition, who expressed such fears about this matter touching the prerogative of the Privy Council, came into the parliament of Canada, I think, four years before I did. I have been here twenty-three years; I think he has been in parliament twenty-six or twenty-seven years, and he sat here silent while a section was being enacted in the statutes of Canada many years ago doing away with appeal to the Privy Council in

certain matters. My hon. friend sat absolutely silent. He did not think the privileges of the minority, or his privileges, were interfered with by that amendment.

Mr. GUTHRIE: I said nothing about minorities.

Mr. LAPOINTE: Well, if so I am in the judgment of the House. I am glad he is now seeing the error of his way.

Mr. GUTHRIE: I said there was a constitutional safeguard to be found, and in regard to this safeguard I do not apply the same reasoning to criminal appeal.

Mr. LAPOINTE: It is the same principle.

Mr. GUTHRIE: No, no.

Mr. LAPOINTE: If the prerogative does not exist in regard to criminal appeal, why should it exist in other matters?

Mr. GUTHRIE: I said it did not matter much with regard to Australia because the constitution of Australia was not the same as ours.

Mr. LAPOINTE: It is not a question of right but of opportunity. We cannot do away with these appeals by enactment in this parliament. When the question is discussed of course my hon. friend may oppose the proposition.

Mr. GARLAND (Bow River): It was not a question of fear.

Mr. LAPOINTE: It was a question of fear on the part of my hon. friend, but I am trying to allay his fears in that regard. Really I do not think that we are so linked up with that prerogative for the preservation of the rights of any section of people in Canada as my hon. friend would seem to believe. I cannot agree with my hon. friend, and I would have to go back one hundred years to meet him on any common ground in that respect and adjust my views to what I believe his idea to be. As far as the rights of Quebec are concerned, my hon. friend read a few lines from Keith in that regard. He is a great constitutional writer—none better—but when he says that in Quebec the opinion of the people is so-and-so he is talking about something he has read in some of the papers in Canada which do not represent Quebec and the views of Quebec. Let me tell him that, far from being frightened about Quebec, my right hon. friend the Prime Minister, and I have received telegrams in the last three weeks from St. Jean Baptiste Society, from L'Action Francais and from influential bodies representing the French race—and I know the Premier of Quebec has received them also—asking to do away with the appeals to the Privy Council. Surely they have not the same fear as my hon. friend the leader of the opposition. I may say that perhaps the judgment in the Labrador case has had the effect of turning the minds of some people in that direction, but not with me. I said that I thought perhaps the Nadan judgment was according to law. I think that what must be done is to repeal the Colonial Laws Validity Act on which the judgment was based. In many parts of this country there has been an agitation on account of the judgment in the Nadan case. I do not say anything about the Labrador matter. I do not say that the judgment is perfect. I would have liked a different judgment myself, but after all the Labrador case was not an appeal to the Privy Council. It was not an ordinary case. Both Newfoundland and the Dominion of Canada found a troublesome question in regard to the boundary and agreed to submit it to the Privy Council, a sort of judicial tribunal and selected by both parties, and the losing party must accept the decision.

Mr. BENNETT: It was not a court case. It was a submission to arbitration.

Mr. LAPOINTE: So that that is not the feeling that animates me, but to alleviate the fears of my hon. friend with respect to Quebec I will tell him that the men in Quebec who represent really the aspirations of French-Canadians are applying to have the appeal to Privy Council done away with. On all these subjects no motion for ratification surely was necessary. The principle has been recognized as it was before, and if legislation is necessary after the expert committee has done its work, then such legislation would be submitted to this parliament.

Mr. CAHAN: This parliament?

Mr. LAPOINTE: Yes.

Mr. CAHAN: Or the British parliament.

Mr. LAPOINTE: Yes, this parliament also.

Mr. CAHAN: I hope that promise will be kept.

Mr. LAPOINTE: I have heard in this House, not in the course of this debate, but in the course of the debate on the address, that it was important to keep this parliament in some state of subordination because of the possibility of a foolish government in Canada enacting crazy legislation which would affect

certain rights and privileges and then having no safeguard to prevent this legislation going into effect. Those who use this argument should apply the other end of it too: it might well be that the crazy government instead of being on this side of the House might be on the other side. Possibly there are people in Canada, especially among the friends of hon. gentlemen opposite, who would like to be subject to the control of a parliament in Great Britain which might not represent their own views. During the great strike two years ago in England, all the newspapers declared that Britain was on the verge of having a communist government at the head of the country's affairs. I do not think all Canadians, even on the other side of the House, would care to be under the control of or to be in any way subordinate to a communist parliament on the other side of the Atlantic. It is my honest belief as a Canadian that we stand in less danger of having a foolish government in Canada than do the people in any other part of the world.

The work of the Imperial conference of 1926 has been accepted everywhere, not only in Great Britain but in the dominions, as having been of great value. It is commended in all quarters. I should like to have the time to quote many expressions of opinion in that regard, for even men who went there far from being satisfied left with a sense of satisfaction which means something to those who have at heart the preservation of the empire. Here is what General Hertzog said before leaving London:

> I feel that nothing has ever before been accomplished so calculated to lay a deep and enduring foundation for national coöperation between members of the British commonwealth of nations and insure real good feeling between us all.

A very influential American newspaper, the Washington Post, commenting on the conference, wrote:

> It may be observed that if the government of George III had possessed the wisdom of the government of George V, there would have been no declaration of independence, and the United States would now be part of the British commonwealth. The evolution from an empire to a commonwealth is accomplished by mutual consent, and no written constitution will follow to bind the bargain.

Mr. Amery, who I need not say is a strong imperialist, has the following to say:

> The conference marks the acknowledged coming-of-age of the younger nations of our commonwealth, and that is a great fact in history which it is worth while pausing a moment to recall. I think the time will undoubtedly come when the growth of the younger British nations in the bosom of the British commonwealth will be recognized to have been at least as great an event in the history of the world as the coming into existence of other nations during the last fifty or sixty years which have attracted much more public attention, because they have come into existence as the result of wars, whether wars that have led to unity, as in the case of the coming into existence of the united Italy or the united Germany, or wars which have broken up older organizations, as those which have created the new countries of central and north-eastern Europe. . . . What it does mean is that each partner in the empire is equally entitled to exercise every function of national life, and if any such function is carried on for it by some other part of the empire, that is a matter of consent, of convenience, of mutual arrangement, and not evidence of subordination on the part of one partner in the empire to another.

In this country, unfortunately, the situation is not what it is in Great Britain and some of the other dominions of the empire. Before I commit myself may I be allowed to quote certain words from an important periodical in this country, the Dalhousie Review,—all the more important, perhaps, in that the hon. member for West Calgary (Mr. Bennett) is numbered among its directors. At the conclusion of a very clever and significant article on the work of the Imperial conference the writer says:

> No one appears to have any serious complaint to make against the decisions of the conference with reference to Canada. Then why a Tweedledum-Tweedledee partisan wrangle over them? Why not accept gratefully what has been accomplised, and devote our united efforts to perfecting the good work in all its details?

This is the first time in Canada, as I believe it is the first time in the history of the British commonwealth of nations, that an amendment has been moved in the shape of the one submitted in this instance, and speeches have been delivered outside of parliament such as have been made in this connection, as a result of the work of an Imperial conference. Heretofore when the Prime Minister of Canada and his colleagues were attending an Imperial conference—and the leader of the opposition (Mr. Guthrie) was at one time a member of a government that took part in such a conference—did parliament take exception to their work? Did anyone ask that the approval of parliament be granted? I ask you, Mr. Speaker, and those who were members of the House of Commons at the time, to bear in mind the words of hon. gentlemen, that these were sacred issues which ought not to be made the subject of political propaganda and partisan discussion.

Mr. WOODSWORTH: The Prime Minister assured us that these decisions of the Imperial conference were not binding unless ratified by parliament. How else, then, can we obtain sanction for these decisions except as a result of free discussion in this House?

Mr. LAPOINTE: I have no complaint to make about free discussion, but I think the amendment goes a little further than free discussion; and I say that my hon. friends of the Conservative party, by the voice of their leader and the moving of this amendment, have sounded the first discordant note in the British commonwealth with regard to the Imperial conference. Are they sincere? Is my hon. friend sincere? As I have said, never before was any motion introduced in parliament such as the one now proposed, and my hon. friend never before protested against such a course as we are now following. Do hon. gentlemen think that they help to preserve the empire by adopting such an attitude? Do they think they are adding to the value of the Imperial conference? Last fall after the general elections, which I believe were held on September 14,—the conference was to open in London in October—views were advanced that under the circumstances Canada could abstain from attending the conference: it was an arduous undertaking for men who had been during the course of two years in the thick of a political fight which we all recollect. Conservative newspapers and Conservative public men expressed the view in no uncertain terms that it was the duty of the government returned to power to attend that conference; it was a sacred duty, and we would have been strongly and bitterly criticized if we had not done so. We did go there, with no preparation of any kind; I do not complain of that, but we were there six weeks, during which time we endeavoured to represent Canada as best we could, and I do not think Canada has reason to complain of our work.

Mr. IRVINE: Might I ask the minister a question?

Mr. LAPOINTE: Would my hon. friend let me finish?

Mr. IRVINE: I am very sincere in this. I want to know if there is any good reason why this report was not brought before parliament at an earlier date?

Mr. LAPOINTE: I do not see why I should be asked such a question in the middle of a sentence which concerns an altogether different matter. I say that we were there trying to do our duty, and I think we did our duty. Is it fair, after coming back to Canada with the sense of having been loyal to our task and of having fulfilled it to the best of our ability that I, for instance, should be confronted with the statement that I have neglected and compromised interests which are dearer to me than they are to the leader of the opposition? If he will permit me to say so, I believe in my modest way that I am just as able to protect those interests as he is. I believe it is not fair; I believe it is not conducive to empire building, and I believe that if Canadian public men must face that kind of warfare perhaps some of them might very well come to the opinion already held by others that they should not attend these conferences but should look for the settlement of Canadian questions on this side of the water, by Canadians and in this country only. That is where my hon. friends are leading with the warfare they are now waging, and I claim it is not fair.

Mr. Speaker, the rights of the minorities in Canada and the rights of the minority in Quebec can, I believe, be safeguarded by myself quite as well as by the leader of the opposition. He is afraid for the future, and for those who will come fifty or one hundred years from now; let him unite with me to correct the present evils instead of looking so far ahead. This is not a fair way to conduct political warfare on a question of this kind. I do not wish to say more in that regard, but I resented very much and still resent the implications contained in the speech of the leader of the opposition and in the amendment which he brought forward. I have done my duty, and I think I can still do my duty.

I know this attempt will be futile, however, and I will forget it altogether in order to bring my remarks to a more pleasant and happy conclusion. There is no such thing as an indefinite status quo in national life; populations grow, conditions of life change, and it is the part of wisdom for governments to legislate for present and future requirements. The British Empire is composed of men of almost every race; it includes nations developing their destinies under various racial, economic and political conditions peculiar to themselves. In our membership we have elements which, outside of the empire, would often lead to war, but the aim is to evolve a system by which various interests, even though at first sight they may seem opposed and antagonistic, may be coördinated in such a manner that individual national sentiments and industrial and economic development may be fully promoted and encouraged by the

various means and policies best suited to the respective peoples, at the same time engendering sympathy and good feeling towards one another. Such was the spirit which animated the men who took part in the conference of 1926. The British Empire has been founded and is maintained on and by compromise. There could not be a more striking illustration of that than to see a Dutchman from South Africa, a Frenchman from Canada and an Irishman from the Free State meeting on an equal footing with the public men of Great Britain, and coöperating with them in an endeavour to find the best mode of preserving the association of our nations.

We are celebrating this year the sixtieth anniversary of confederation; the work of building a nation in Canada has been achieved, and no more evidence of that fact is needed than the debate which is now proceeding. We may say with pride that on the whole the task of the statesmen of 1867 has been successful. Our country, as well as the British commonwealth of nations, is founded on compromise. There may be some who are impatient for changes in the pact which was agreed upon in 1867, and I would be the last to suggest that some modifications might not be made which would improve conditions. I fully agree that the problems of 1927 must be settled in the light of conditions which exist in 1927; that the questions of to-day must not be settled as they would have been settled by the men who lived sixty years ago, but as they would have been settled had those men been living to-day. But certain essentional and inherent conditions of our national existence require the greatest care and prudence in their study, and whatever suggestions may be considered the basis of the pact of confederation must be maintained at least in so far as our internal affairs are concerned. Sir, the principles and fundamental ideals which underlie that pact are the fuel necessary that the torch may burn brighter and illuminate through the darkness of our conflicts and difficulties the road to peace, progress and nationhood in this country.

Mr. C. H. CAHAN (St. Lawrence-St. George): I can cordially congratulate the hon. Minister of Justice upon the strength and vigour of his argument, and in many respects we on this side will, I am sure, quite heartily agree with him. A large part of his address comprised the reading of selections from orders in council passed and statements made by members of Conservative administrations from time to time since the days of Sir John A. Macdonald, down to the present. I yield to no man, Mr. Speaker, in my advocacy of a self-reliant, strong and vigorous national life in Canada. I yield to no man in advocacy of the cutting off of every antiquated encumbrance which would prevent, or tend to prevent, the development in Canada of a national life of the highest character and the greatest intellectual vigour. This country comprises half a continent. Our population numbers nine millions of people. We have resources available to us such as no other population of like number in the wide world possess to-day. We have problems of every kind and description—political, social, educational and industrial—to solve for the great advantage of the country to-day, and for its material and moral prosperity and progress in the future. Therefore we on this side are as strong nationalists in all that pertains to the development of Canada and its national life as were our predecessors—Sir John A. Macdonald, Sir John Thompson, or any other of the old leaders of the Conservative party to whom the minister made reference this afternoon. But we on this side, and the party which we represent throughout the country, do conceive that the best aspirations and traditions of the two great races that originally founded the Canadian confederacy—and the men of all other races who have come in and declared themselves brothers of the blood with us in building up and developing Canada will find this to be the case—that we are true to our best traditions, that we will be carrying out our highest and best ideals, that we will best ensure the integrity and stability of this country for all time, by maintaining our political unity, not only with the British crown but with Great Britain and the other dominions beyond the seas; and whatever difficulties and problems we may encounter in working along that line, I say that the end to be attained is far more consistent with our best traditions of the past, is far more honcurable to the two great races in Canada, than to form any other conceivable connection with any other political power for the purpose of securing our national defence and the maintenance of the integrity of this country. But those are not the only issues which are presented to us to-day.

We have heard the Prime Minister of this country make the definite statement to the House that this report of the Imperial conference would be submitted to parliament with a recommendation that it be approved by us; but there is the further consideration that the new policy which he introduced last session can only be affirmed and continued by the carrying out of that program to which he pledged himself on December 13 last, in the debate on the address, when he said that

the report and every portion of it, as it was written, would be submitted for the formal approval of this House. He speaks about other imperial conferences having been held in times past and no decision having been taken thereon by the House of Commons. But at the very last session of the House he introduced a new resolution, dealing with the report which had been adopted by the Imperial conference of 1923. He then declared that that report had been unanimously approved by the government's representatives at the Imperial conference, but that was not sufficient. He stated that not only did the ministers of the other self-governing dominions take the same position, in giving their assent to these resolutions, that what Canada had done with respect to a certain particular treaty was done in the right and proper way, but that the conference had further stated with respect to certain classes of treaties in the future that the procedure then adopted should hereafter be followed. Therefore he came before the House and declared that he required from the parliament of Canada a resolution which would express the definite approval of the program enunciated at the Imperial conference of 1923, whereby the action of future governments of Canada wou'd be restricted to the scope of the resolution and the schedule which he then presented to parliament, and he declared that for all time in the future, until parliament had ratified amendments or modifications thereto, these resolutions would be binding upon the successive governments of Canada, in conformity with the principles announced at the Imperial conference, with regard to the negotiation of treaties and the extent to which they would be binding upon this parliament—

Mr. MACKENZIE KING: May I interrupt my hon. friend just to make the point clear as to the scope of the reference he is making? It was one portion of the report, that which dealt with treaties, that was submitted to the House, not the entire report of the conference. I think he will agree as to that.

Mr. CAHAN: Quite so, and I remarked at the time that the resolution on Imperial defence, which was ratified by the right hon. gentleman, was in the opinion of many quite as important, that he had hesitated, to use a mild term, to ratify that portion of the report, but that portion which seemed to be consistent with his own policy,—with regard to the negotiation of treaties—he had brought down and had requested the formal approval of parliament to it. That being so we have now laid on the table of the House another report of the later Imperial conference of 1926. I submit that it is perfectly clear, as stated by the hon. member for Labelle (Mr. Bourassa) last evening, that this new report as submitted with regard to the negotiation of treaties, amends and modifies in very essential particulars the resolutions which were adopted by this parliament last year. Under the resolutions of the Imperial conference of 1926 the parliament of Canada may be bound in respect of a large class of treaties by the mere indifference or neglect on the part of the Prime Minister or the Minister of External Affairs to enter a protest against the negotiation or confirmation of a treaty affecting this country.

Mr. MACKENZIE KING: I do not wish to interrupt the hon. gentleman, but I am afraid I cannot sit still and say nothing when he makes a statement to which I must take complete exception. I do not in relation to treaties agree with his interpretation of the report or the manner in which he is giving it.

Mr. CAHAN: During the debate on the address I called attention to specific clauses of this resolution dealing with the negotiation of treaties, where for the first time it is introduced into an Imperial conference report that the government of any other dominion or the government of the United Kingdom having once notified us with regard to the negotiation of a treaty in which we might be interested, and the government of this country having neglected to register a protest, we could be deemed bound to adhere to the provisions of that treaty.

Mr. MACKENZIE KING: No. If that is my hon. friend's interpretation, he is not reading the report correctly. I might state what my interpretation is and then he can say if he disagrees. Each government is bound to notify the other governments so that they will all be aware of the intention. If no exception is taken by a government, then the government which is making the treaty may assume that it is at liberty to go ahead. Before, however, any particular government will be bound in the matter of obligations under a treaty, it must specifically agree to be so bound. That follows in another part of the same document.

Mr. CAHAN: I cannot give to it the same interpretation which the right hon. gentleman does. With regard to the negotiation of treaties this is the new provision:

When a government has received information of the intention of any other government to conduct negotiations, it is incumbent upon it to indicate its attitude with reasonable

promptitude. So long as the initiating government receives no adverse comments and so long as its policy involves no active obligations on the part of the other governments, it may proceed on the assumption that its policy is generally acceptable.

Mr. MACKENZIE KING: So long as its policy involves no active obligations on the part of the other governments, it may proceed.

Mr. CAHAN: Yes, and we have the definition of the Minister of Justice that the term "active obligations" refers particularly to such obligations as might result in war. There are treaties negotiated and likely to be negotiated which might affect the most intimate commercial relations of this country, which might affect the status of Canadian citizens in any part of the world, which might be prejudicial in every respect to the interests of Canada, and yet for the first time we have it introduced into a report of an imperial conference, in amendment and modification of the principles laid down in the resolution submitted to us last session, that such treaties may become binding upon us; that we may be morally bound to carry them out, even though they have not received the assent of this parliament.

Mr. MACKENZIE KING: I just ask my hon. friend to be kind enough to read the last sentence of the paragraph from which he was reading. He has omitted, not intentionally, I am sure, the one significant sentence.

Mr. CAHAN: It is like other sentences in the report in that you can take any meaning you wish out of them.

Mr. MACKENZIE KING: The restriction is emphatic and clear.

Mr. CAHAN: I am dealing with this part which reads:

> Where by the nature of the treaty it is desirable that it should be ratified on behalf of all the governments of the empire—

Mr. MACKENZIE KING: Now my hon. friend is skipping the sentence. He is reading the next paragraph. Let him read the sentence between the one which he is now reading and the one which he read before.

Mr. CAHAN: The initiating government—

> —must, however, before taking any steps which might involve the other governments in any active obligations, obtain their definite assent.

Mr. MACKENZIE KING: Exactly.

Mr. CAHAN: That is restricted solely to active obligations.

Mr. MACKENZIE KING: That is the only obligation that means anything.

[Mr. Cahan.]

Mr. CAHAN: It is restricted solely to active obligations, whereas I stated that in the opinion of the Minister of Justice today active obligations imply military sanctions and the like. But those other treaties may infringe upon the natural rights or the nationality rights of Canadian citizens throughout the world, and yet by the mere neglect of the department over which the Prime Minister presides, those treaties may be concluded without having ever been submitted to this parliament.

However we may differ in our views as to the construction of that particular clause, there can be no doubt in the mind of the right hon. gentleman that there are in this Imperial conference report two or three closely printed pages which modify, amend and change in very considerable particulars the resolutions which were submitted to this House at the last session. I ask him now whether he is going to submit this new report—he has stated he is not—for the approval of parliament. If he does not do so, which will be binding upon this parliament—the resolutions of 1923 which were ratified during last session, or the resolutions of 1923 as modified and amended by the resolutions contained in the Imperial conference report of 1926?

Mr. MACKENZIE KING: If my hon. friend wishes to introduce a resolution advocating that this parliament should endorse these resolutions, I will support him in that regard and I think the government also will.

Mr. GUTHRIE: Why did the government not do so?

Mr. CAHAN: Was there ever such an exhibition by a prime minister in any country? Having taken his position as representative of this country at an Imperial conference dealing with a great charter of liberty which is to stand for all time, he returns to parliament; he pledges his honour that he will produce the report to parliament and ask parliament for its approval; then within a few weeks he renounces that pledge and now he asks a private member of the opposition to stand up and move the adoption of the report. This shows simply the farcical position to which the policy of the Prime Minister reduces national government in this country.

Mr. ERNST: Quebec's backbone shivers.

Mr. CAHAN: I am not dealing with that phase of the question. The Prime Minister

at the Imperial conference endorsed every jot and tittle that appears in this report. In making an address at the House of Lords' dinner he stated, dealing with the report:

> In all that has been recorded you of the motherland and we of the dominions are in complete accord.

It was not only the Prime Minister and the Minister of Justice of this Dominion who were in complete accord. Not only did the Prime Minister propose to speak on behalf of himself or his government, but he spoke or alleged that he spoke on behalf of the parliament and the people of Canada; and yet his courage has so oozed out that he dare not now present the report for the approval of parliament. In the address which he submitted to parliament through His Excellency the Governor General he declared:

> Members of my government have just returned to Canada from attending the meetings of the Imperial conference. The report of the proceedings of the conference, together with its recommendations, will be placed before you for consideration.

Has that pledge been carried out?

Mr. MACKENZIE KING: It is before the House now for consideration.

Mr. CAHAN: It is not before the House for consideration. The right hon. gentleman dare not place it before the House for consideration.

Mr. MACKENZIE KING: It is before the House for consideration now.

Mr. CAHAN: The hon. gentleman dare not move a resolution for its favourable consideration. He leaves it to private members on this side of the House to propose such resolutions, if need be. What has come over the mind of the hon. gentleman since he prepared this address for His Excellency the Governor General, or what has intervened to prevent him from carrying out his pledge? At Toronto on February 4, 1927, the Prime Minister referred to the Imperial conference as giving wholly new force and meaning to the constitutional position of Great Britain and the dominions—I had the advantage of listening to the right hon. gentleman's statements over the radio, and I was surprised that many of his emphatic statements did not appear so clearly in the public press. On making inquiry of the press as to the reason why, I was informed that the press report had been in the hands of the newspapers for some time before the address was delivered.

Mr. MACKENZIE KING: Will my hon friend cite one emphatic statement to which he attaches significance that was made at that meeting but was not reported?

Mr. CAHAN: I could if I were to tax my memory. There was a very different tone with respect to many statements. The words and the expressions used in many, many respects conveyed a different impression to my mind as I listened, from that of the hard cold type which I read the next morning.

Mr. CANNON: That is quite different.

Mr. CAHAN: This is the official report of what the Prime Minister said at that meeting:

> That position now carries with it the imprimatur of an Imperial conference voicing in one note of common agreement the opinion of all parts of the British Empire as to the basic principles on which that empire rests.

He proceeds:

> To have common agreement on the part of all members of the British commonwealth of nations on so fundamental a root principle governing our inter-imperial relations is no small achievement.

Mr. MACKENZIE KING: Hear, hear.

Mr. CAHAN: Does the right hon. gentleman assume, like Pilsudski, the dictator of Poland, or like Mussolini, the Prime Minister of Italy, that he can attend a great conference like that and speak for the whole people of Canada, that he can bind the whole people of Canada to the fundamental principles embodied in that report, and yet be so negligent of his duty and responsibility as to refuse to present the work which he in part created to the House of Commons and to the parliament of Canada for ratification?

Mr. MACKENZIE KING: Does my hon. friend wish to know why I did not bring in the report and submit it for the adoption of the House? I wished to make that statement yesterday when the leader of the opposition brought up the point. I stated that I could clear his mind at once, but he would not give me an opportunity. I shall be very glad to make that statement now if my hon. friend will give me the opportunity.

Mr. CAHAN: Is it long or short?

Mr. MACKENZIE KING: It will not be very long.

Mr. CAHAN: In view of the pledge which the right hon. gentleman made in the address, I think it was due to himself that he should have made that statement when introducing this matter on the motion for going into supply.

Mr. MACKENZIE KING: If my hon. friend will allow me, I thought the reason was so apparent that it did not even enter my mind to make that explanation, but I will give the reason immediately if my hon. friend will allow me.

Mr. CAHAN: Will it take long?

Mr. MACKENZIE KING: It will take a very few minutes, but I think it will be worth while.

Mr. CAHAN: You hardly have time; it is nearly six o'clock.

Mr. MACKENZIE KING: That is the second time I have been refused the opportunity by hon. gentlemen opposite.

Mr. CAHAN: I will give the right hon. gentleman the opportunity on the opening of the debate to-morrow if he desires it.

According to this report, Canada is admittedly a member of the British commonwealth of nations. But who authorized the Prime Minister of this country to give Canada's assent to this common agreement which is declared to be of such surpassing importance? Were the Prime Minister and his colleague the Minister of Justice authorized by parliament to give such assent? I know of no such authority. And if not from parliament, what was the source of the authority which they did exercise, or purported to exercise, in binding Canada as a whole and the parliament and people of Canada to that new agreement? At Toronto, as well as in this House, the Prime Minister declared that this was one of the great charters in British history. He said:

> I have said, and I wish to repeat, that in this particular the conclusion of the conference as embodied in the report of the committee on imperial relations, will, I believe, hold a place in history by the side of the great charters of human freedom which comprise so large a part of what is known as the written portions of the constitution of Great Britain itself.

And yet we of the parliament of Canada, and the people of Canada on whose behalf he purported to act, have never authorized him to give assent for any other than his own government. He has no authority from parliament; he has no authority from the people's representatives in parliament, and yet he dares take the responsibility of refusing to submit the report to parliament where it can be dealt with clause by clause and accepted with reservations, or otherwise, as parliament sees fit.

Mr. ERNST: Mussolini was a pigmy to him.

[Mr. Cahan.]

Mr. CAHAN: I notice that the Prime Minister quotes from the Spectator a very emphatic paragraph:

> For years to come the report will be regarded as a charter of freedom for the British commonwealth of nations.

And yet having assumed the right to voice the views of the Canadian people at the conference, not only their views as to our constitutional status, but their views with regard to the procedure that must be taken to repeal or modify imperial statutes which have been in force for years, with regard to the procedure which must be taken to make amendments to the merchant shipping acts under which every ship of British registry in Canada sails from Canadian ports to any part of the world, as well as grave amendments and modifications to the Admiralty Courts Act, upon which is based the jurisdiction of every Admiralty court in this country, and as well the abrogation, modification or amendment of the Judicial Committee Acts which ever since 1833 have governed the right of petition by litigants in this country to the Privy Council of Great Britain—the Prime Minister proposes, without the sanction and approval of this parliament, to make such grave amendments, modifications and changes as never before at one time were proposed in the history of this country. He proposes to carry out those changes simply upon the ipse dixit of the new autocrat in Canada who sits in the seat of the Prime Minister of this country, aided by the action of the Imperial parliament, in which we are not represented, and with which we have no means of communication at all except through the Prime Minister of this country.

As it is six o'clock I move the adjournment of the debate. I propose to consider those various modifications and the responsibility which Canada has to take in approving of them.

Motion agreed to and debate adjourned.

At six o'clock the House adjourned without question being put, pursuant to rule.

Thursday, March 31, 1927

The House met at three o'clock.

ROYAL ASSENT

Mr. SPEAKER: I have the honour to inform the House that I have received the following letter:

Ottawa, March 30, 1927.

Sir,—I have the honour to inform you that the Right Hon. F. A. Anglin, acting as Deputy of His Excellency the Governor General will

proceed to the Senate chamber to-morrow, (Thursday, 31st March) at 5.30 p.m. for the purpose of giving the royal assent to certain bills.

F. L. C. PEREIRA,
Deputy Assistant Secretary
to the Governor General.

PRIVATE BILL

FIRST READING

Bill No. 255, respecting The Great Lakes and Atlantic Canal and Power Company, Limited.—Mr. Odette.

REPORTS OF COMMITTEES

Seventh report of the select standing committee on miscellaneous private bills.—Mr. Parent.

Seventh report of the select standing committee on railways, canals and telegraph lines. —Mr. Young (Saskatoon).

Third report of the select standing committee on banking and commerce.—Mr. Hay.

PRIVATE BILLS—REFUNDING OF FEES

Mr. GEORGES PARENT (Quebec West) moved:

That in accordance with the recommendations contained in the seventh report of the select standing committee on miscellaneous private bills the fees and charges paid on bill No. 153, respecting the Baptist Convention of Ontario and Quebec, be refunded, less the costs of printing and translation.

Motion agreed to.

ALLIED INDIAN TRIBES OF BRITISH COLUMBIA

Mr. F. W. HAY (North Perth) moved:

That the special committee on the petition of the Allied Indian Tribes of British Columbia have leave to sit while the House is sitting.

Motion agreed to.

AUDITOR GENERAL'S REPORT

Hon. J. A. ROBB (Minister of Finance) moved:

That the Auditor General's report for the year ending March 31, 1926 and the Public Accounts for the year ending March 31, 1926, be referred to the select standing committee on public acounts.

Hon. HUGH GUTHRIE (Leader of the Opposition): The only remark I have to offer in regard to this motion is that it is rather late in the session to bring down the reports of the Auditor General and refer them to the select standing committee on public accounts. There will be no opportunity to do anything this year, and I think the government should have referred these accounts to this committee a month or two months ago.

Mr. ROBB: I quite agree with the observations of the leader of the opposition, and until to-day I thought these accounts had been referred to that committee.

Motion agreed to.

ALGOMA CENTRAL AND HUDSON BAY RAILWAY

Mr. J. A. BRADETTE (North Timiskaming) moved the first reading of Bill No. 254 (from the Senate) respecting the Algoma Central and Hudson Bay Railway Company.

Some hon. MEMBERS: Explain.

Mr. BRADETTE: The purpose of this bill is to provide for the extension of the charter of this company in order to permit construction from its present terminal, the town of Hearst, to the Hudson bay basin.

Motion agreed to, bill read the first and second time and referred to the select standing committee on railways, canals and telegraph lines.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

ALLEGED POLITICAL PARTISANSHIP—EMPLOYEES IN LEEDS COUNTY

Mr. STEWART (Leeds):

1. Have charges of political partisanship been made against any government employees in the county of Leeds, Ontario?
2. What is the name or names of the party or parties making such charges?
3. Have such charges been made in writing?
4. Has one Arthur G. Parish been appointed or authorized to investigate such charges?
5. Will the parties charged be allowed to have counsel on such investigation?
6. Will the commissioner take a shorthand record of the evidence and proceedings?
7. Is it the intention of the government to dismiss any employees who may be found by said commissioner to have been guilty of political partisanship?

Hon. Mr. RINFRET:

1. Yes.
2 and 3. No information.
4. Yes.
5. Yes.
6 and 7. No information.

OVERSEA SETTLEMENT—BRITISH COLUMBIA

Hon. Mr. TOLMIE:

1. During the summer of 1926, did the Department of Immigration and Colonization conduct the Earl of Clarendon, chairman of the oversea settlement committee, and Mr. T. C. Macnaughten, vice-chairman, on a trip inspecting British family settlement and future settlement opportunities in Canada?

2. Was the province of British Columbia visited?

3. If so, what districts were covered?

4. What opinions, if any, were expressed by the British visitors as to the settlement opportunities in British Columbia?

5. Have any agreements been negotiated providing for coöperation in settlement between the Dominion and provincial goverments in Canada, and the oversea settlement committee jointly?

6. Are any such agreements in process of negotiation?

7. In any such agreements either negotiated or under consideration, has the government of the province of British Columbia participated in any way?

8. Has the government of the province of British Columbia submitted to the Dominion government any definite proposals as a basis for such settlement agreements?

9. Certain large tracts of lands in British Columbia are owned as the Fielding family's holding at Salmon River, near Prince George, Lord Exeter's holding near Exeter on the P.G. & E. railway. Has the British Columbia government, or the Dominion government, made any proposals for the settlement of these lands?

10. Was the Dominion government instrumental in bringing a number of Esthonian families under Sir John Pitka to Canada in 1924? If so, were these people settled in the Stewart lake district, British Columbia? Were they settled under provincial or dominion auspices? Has the settlement been successful?

11. Has a property known as the Amiens farm in the Fraser valley, near Matsqui, British Columbia, been sub-divided for the settlement of British families? If so, how many families have been settled? What type of family was selected for this settlement? Has this settlement been successful to date?

Hon. Mr. FORKE:

1. Yes.

2. Yes.

3. The oversea settlement committee party was taken by motor car from Sicamous south through Okanagan district, touching Enderby, Armstrong, Vernon, Kelowna, Summerland and Penticton. The party then went by rail to Vancouver. Two days were spent in motor trips to farms and settlers in the Fraser valley, after which the Courtenay and Victoria districts on Vancouver island were covered by motor car. The party then travelled over the P. and G. E. railway from Squamish to Exeter and from thence by motor car along the Cariboo trail to Quesnel and Prince George with a further day's motoring in the Buckley valley near Smithers and Telkwa. Altogether the party were motored over 1,200 miles in British Columbia, and they visited nearly 50 British families on the land.

4. The British visitors were of the opinion that the province of British Columbia offered excellent opportunities for the assisted settlement of British people. They were particularly impressed with the settlement opportunities along the Canadian National Prince Rupert line.

5. Yes.

6. Yes.

7. Yes, correspondence is now in progress.

8. Answered by No. 7.

9. No.

10. Sir John Pitka, as a result of a trip made to Canada in the summer of 1923, brought a party of Esthonians to Canada in 1924 and secured a location near Stewart Lake. The party was met at Halifax by land settlement officers and conducted through to Vanderhoof where they were turned over to the provincial government. The department has but meagre information as to the success of the colony but understands that progress is slow owing to the lack of capital. A number of new settlers have arrived since the first party of 1924.

11. The Amiens farm has been sub-divided and eleven families have been settled. Scotch dairy farmers were selected. The settlement thus far has given outstanding evidences of success.

EXPORT OF HYDRO-ELECTRIC POWER

Mr. HANSON:

1. Is there now current a license to the Maine and New Brunswick Power Company to export hydro-electric power to the United States?

2. If so, when was such license first issued?

3. Is it the intention of the department concerned to continue the yearly export license to this company?

4. Is the government aware that the company in question, or interests closely allied to this company are at present promoting opposition to a measure in the Maine legislature looking to the creation of storage facilities for hydro-electric development in the province of New Brunswick, and in the light of such information is the department willing to renew the export license of this company?

Hon. Mr. MALCOLM:

1. Yes.

2. The current license was issued on April 14, 1926. The first license was issued on November 9, 1907.

3. The company's application is now under consideration by the government.

4. Representations have been received from the Prime Minister of New Brunswick, relative to the renewal of this export license. He requested that his representations be treated confidentially at present.

HOG GRADING SYSTEM

On the Orders of the Day:

Mr. D. M. KENNEDY (Peace River): I wish to call the attention of the Minister of Agriculture to an article which appeared in

the Toronto Mail and Empire of March 17, 1927. I shall read about ten lines from this article and then base a question upon it. The article is headed, "Hog grading system likely to be changed," and it goes on to say:

An important change in the hog grading system which has prevailed in Canada for the past five years may be made, as result of altered conditions. The Dominion government has been asked to call a conference of the men who went into the matter in 1921, to discuss the whole problem and work out a solution once more. This fact was made known by S. E. Todd, secretary treasurer of the Council of Canadian Meat Packers, who yesterday addressed the legislature's standing committee on agriculture.

My question is, has Mr. Todd, secretary of the Packers council been given authority to announce the federal policy in this matter before agricultural committees in other provinces?

Hon. W. R. MOTHERWELL (Minister of Agriculture): Mr. Speaker, the hon. member for Lincoln was so busy asking a question of my colleague beside me that I am not sure whether I caught the hon. member's question or not, but I happen to have had placed before me since coming into the House the paragraph that he has read from the Toronto Mail and Empire. With respect to the announcement or statement alleged to have been made by Mr. Todd before the agricultural committee of the Ontario House. my hon. friend will notice that the word "may" is used there:

An important change in the hog grading system which has prevailed in Canada for the past five years may be made, as result of altered conditions.

The article also states that the Dominion government was asked to call a conference. That is not correct. When it was learned by the department that certain changes were contemplated by the packers, a departure we thought from the arrangement made in 1921, I at once took the responsibility of calling a conference of those who participated in the original conference in November, 1921, together with representatives of some additional organizations that have come into existence since then. Consequently a conference has been called, not to declare any new policy but rather to permit these various representatives to confer with each other and find out what changes, if any, were necessary due to the altered conditions in the world markets with respect to the grading of bacon.

Mr. ROBERT GARDINER (Acadia): Would the minister lay on the table a copy of the record of the conference of packers, government officials, and others, held in 1921 to discuss hog grading, the 10 per cent premium, and bacon grading, and also copies of the resolutions which came before that conference?

Mr. MOTHERWELL: An order was passed only the other day asking that that be done, but we have not yet got around to it. There are a good many questions of a similar nature; they all seem to have accumulated at once. My staff are very busy, but the information asked for will be brought down, and it will answer more thoroughly than I have done to-day the question put by the hon. member for Peace River.

CHICAGO DRAINAGE CANAL

On the Orders of the Day:

Hon. R. J. MANION (Fort William): May I ask the Minister of the Interior if he has any information to give the House at this late stage of the session as to the progress of the case dealing with the diversion of water through the Chicago drainage canal?

Hon. CHARLES A. STEWART (Minister of the Interior): I have nothing new to communicate, but I will be very glad to discuss the matter in committee of supply. We have not secured from the United States government permission to release the notes recently exchanged and which were spoken of earlier this session.

Mr. MANION: Has the minister any information as to when the case is likely to be concluded, and will he also tell the House whether Canada is represented by counsel?

Mr. STEWART (Edmonton): You mean before the United States courts?

Mr. MANION: I mean, has the government entrusted anyone with a watching brief?

Mr. STEWART (Edmonton): We have not given a watching brief but we have a representative there.

Mr. MANION: Who is he?

Mr. STEWART (Edmonton): Mr. Cory.

Mr. GUTHRIE: Did I gather from the Minister of the Interior that Canada was represented at Washington by separate counsel on the proceedings in reference to the Chicago drainage canal? I understood him to say that somebody had a watching brief for the Dominion. I have heard that Mr. Cory, son of the Deputy Minister of the Interior was attending the conference in some capacity. Is he the gentleman who holds the watching brief for Canada in this important investigation?

Mr. STEWART (Edmonton): "Watching brief" is hardly the proper term to use. We

had Mr. Cory attend all the sittings and listen to the representations that have been made in connection with this matter before Mr. Justice Hughes.

Mr. GUTHRIE: Does my hon. friend not think the matter is of sufficient importance to employ on behalf of Canada some eminent counsel in the United States to watch these proceedings?

Mr. STEWART (Edmonton): Well, I hardly think that course would be warranted. We have a full report of all the proceedings, and if necessary can later on employ eminent counsel to advise in the matter.

UNITED STATES EMBARGO ON MILK AND CREAM

On the Orders of the Day:

Mr. J. E. LETELLIER (Compton): May I draw the attention of the Minister of Agriculture to the fact that I have received a letter from Mr. H. J. Carlos, of Paquetteville, expressing the great discouragement of the farmers in his district on account of the embargo on the exportation of milk and cream to the United States. I should like to know whether any progress has been made looking to the raising of this embargo?

Hon. W. R. MOTHERWELL (Minister of Agriculture): As I announced yesterday, officials of the Department of Agriculture were in correspondence with the Quebec Department of Health and the Ontario Department of Health asking them to give us a complete record of all or any outbreaks of rural typhoid in any part of the embargoed area. We have reports from both Departments of Public Health and the report for Ontario is very satisfactory. During the last two months there has been only one outbreak in any part of the embargoed area in that province and the particular district concerned does not in any event ship milk to Montreal. Consequently, with regard to Ontario, we have a very good foundation upon which to lay a request that the embargo be circumscribed. I wish I could make the same report with regard to the dairy districts in Quebec; but until our special representative who went to Montreal yesterday returns and submits his report, I would rather defer making any comment regarding that part of the embargoed area.

IMPERIAL CONFERENCE

DEBATE ON STATEMENT OF PRIME MINISTER AND AMENDMENT OF MR. GUTHRIE

The House resumed from Wednesday, March 30, consideration of the motion of the Minister of Finance (Mr. Robb) for

[Mr. C. A. Stewart.]

committee of supply, and the proposed amendment thereto of Mr. Guthrie.

Mr. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, in reviewing the report of the Imperial conference committee and the special report on inter-imperial relations, I felt that the committee itself in the first section of that report rather deprecated the idea that it was then and there laying down a new constitution for the British commonwealth or empire. Their statement in section 2 of the report that the dominions—

—are autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs—

—they themselves describe as a "formula" or a mere political "theory" of which they restrict the application by declaring:

But the principles of equality and similarity, appropriate to status, do not universally extend to function. Here we require something more than immutable dogmas.

I could well fancy that Lord Balfour drew up that part of the report. Similar language may be found on many pages of his works on philosophy. Having described their "formula" and propounded what they call their "dogma" and again as their political "theory," they declared:

We have endeavoured not only to state political theory, but to apply it to our common needs.

And they add:

Existing administrative, legislative and judicial forms are admittedly not wholly in accord with the position as described in section II of this report.

Which deals with equality of status of Great Britain and the dominions. That means, as I understand it, that the existing forms are not in accord with this formula, or dogma, or political theory of equality of status which they have laid down. Then they proceed to examine existing forms, as they say:

—with special reference to any cases where the want of adaptation of practice to principle caused, or might be thought to cause, inconvenience in the conduct of inter-imperial relations.

That is, they declare, in effect, from their point of view, that in the matter of such adaptions, as are proposed, of practice to principle, convenience is to be made the paramount issue. Therefore they deem that a slight change should be made in the title of the king and they proceed to declare:

That the Governor General of a dominion is the representative of the crown, holding in all essential respects the same position in relation to the administration of public affairs in the dominion—

I call particular attention to that.

—as is held by His Majesty the King in Great Britain, and that he is not the representative or agent of His Majesty's government in Great Britain or of any department of that government.

The Prime Minister, in referring to some statement that I have made in times past, suggested that I contended that the status of the Governor General had not changed, and that prior to the time of the preparation of this report, the status of the Governor General in the Dominion of Canada was that of a representative of the sovereign. Section 9 of the British North America Act of 1867 has already declared:

The executive government and authority of and over Canada is hereby declared to continue and be vested in the queen.

At this point the Prime Minister, for the purpose, I think, of vindicating his past record, introduced into the discussion certain matters relating to the episode of June and the first days of July last which led to his resignation and to the formation for the time being of another government. In dealing with that I wish to point out that section 50 of the British North America Act provides:

Every House of Commons shall continue for five years from the day of the return of the writs for choosing the House (subject to be sooner dissolved by the Governor General), and no longer.

The act itself further provides that the Governor General in Council shall exercise his powers—

With the advice or with the advice and consent of or in conjunction with the Queen's Privy Council for Canada.

He must act on the advice of the government of Canada; but section 50, dealing with dissolution, says that the Governor General and not the governor in council shall have the right of dissolution. That brings us back to the episode to which the Prime Minister referred and in connection with which he attempted a vindication of his advice to His Excellency the former Governor General of Canada. That episode extends back to September 6, 1925, when, speaking at Richmond Hill in Ontario, the Prime Minister of that day, who is the Prime Minister of this day, declared:

Immediately upon the return of the Governor General to the capital yesterday I waited upon His Excellency at Government House and presented to him the many considerations for an appeal to the electorate before another session of parliament, which I have presented to you this afternoon.

I do not intend to enter into the details of those considerations. They were set forth in a very lengthy speech last session, and in another discussion in the previous session I placed the most important paragraphs upon the records of Hansard. But the chief reason, as he then stated was—and this was a representation which he had then made to His Excellency:

Is it sufficient that as a government we should continue in office, drawing our indemnities and salaries as members and ministers, and enjoying the other fruits of office, when great national questions press for solution, with which for want of an adequate majority in parliament we are unable satisfactorily to cope?

As the result of those representations made by the Prime Minister to His Excellency, the late Governor-General of Canada, Lord Byng, undoubtedly an understanding was reached between the Prime Minister and the Governor General, limited in effect, it is true, limited in effect no doubt, but an understanding that under the conditions which then existed he should be granted a dissolution of parliament and an appeal to the people. The election was held on the 29th October, 1925, and a few days after, on the 4th November, the Prime Minister of that day, who is the Prime Minister of this day, gave to the press a lengthy communication which he himself has placed upon the records of Hansard during the last few days. That statement shows that again the Prime Minister approached the Governor General to endeavour to induce him to permit of the calling of parliament under the circumstances which then existed, which were that the Prime Minister had not returned from the electorate with a majority of the House to support him, and that in fact he was not then the leader of the largest political body in this House. Again there was an understanding reached between the Prime Minister and His Excellency to the effect that parliament would be called, and if we are to read between the lines, subsequently there were consultations between the Prime Minister and His Excellency, which resulted in His Excellency agreeing that his address should be brought down to parliament, that new issues should therein be introduced to parliament, and that the Prime Minister should have another opportunity of securing in this House a majority which he had failed to secure on his appeal to the people.

The Governor General of Canada of that day was conversant, I have no doubt, with the instructions which he had received by the letters patent and instructions issued to him by the king. Those letters patent are the same word for word as they have been for over twenty years at least, and in the letters patent which the Prime Minister laid before

the House the other day these and these only are the instructions from His Majesty to the Governor General with regard to dissolution:

> And we do further authorize and empower our said Governor General, to exercise all powers lawfully belonging to us in respect of the summoning, proroguing or dissolving the parliament of our said Dominion.

So that His Excellency, Lord Byng, from the express instructions which he had received, knew that in respect to the dissolution of parliament he represented the king in the exercise of the king's prerogative, and that he represented no other person or official in the British government. The position of the present Prime Minister with regard to that dissolution has changed on several occasions. In the revised Hansard of last session, at page 5222, he says:

> In being declined the right of dissolution I believe I was declined that right because His Excellency had the honest belief that some other member of this House could be found who as prime minister could carry on the business of government in this country in the way it should be carried on, befitting the dignity and honour of parliament, and which would therefore avoid the necessity of a general election.

And again on June 30, in the evening, I think it was, after the Right Hon. Arthur Meighen had accepted office, the present Prime Minister, then leader of the opposition, said:

> I for one do not intend to offer any criticism whatever of the constitutionality of the course taken up to the present time.

So that at that time the Prime Minister admitted that in respect of the refusal to take his advice for the dissolution of the House, and in respect of the acceptance of his resignation, Lord Byng had acted in an entirely constitutional manner. I do not know whom Lord Byng consulted, but if he had looked at Keith, the edition of April, 1924, to which the Prime Minister has given his approval, he would have found the following:

> It is, for instance, obvious that the crown cannot constitutionally grant a prime minister who has obtained one dissolution and had been defeated, a second dissolution of parliament, if any other means of carrying on the government could be found.

I infer that, as the Prime Minister himself, in the words I have just quoted, used almost exactly the same terms, he was fully aware of the view of Keith with regard to that matter.

I come now to another matter. Day before yesterday in the course of the debate the Prime Minister eulogized his own conduct by saying that he had acted towards His Excellency in a most chivalrous manner. I wish to call his attention to the debate in those hectic days and nights of the latter part of June, and particularly to a debate which occurred on the night of the 30th June, and certain altercations between the right hon. member and myself. In discussing the question that night I referred to the present Prime Minister, then leading the opposition, as resigning without considering the interests of the country, which demanded that he should have offered to see that the departments of government should be temporarily administered pending the selection of his successor. I refer to revised edition of Hansard at page 5217. I submit, Mr. Speaker, that if ever there was a time in the political history of the Prime Minister, if ever there was a time in the political history of this parliament, when the leader of the opposition, having then resigned the high office of prime minister of this country, should have been perfectly frank and clear in his statements to the House, should have given to the House, if he gave anything at all, the truth, the whole truth and nothing but the truth in respect of his recent communication with His Excellency, that time was the night of 30th June last, when the House was deciding that important question then before it. Let me quote from Hansard, and I will leave out the echoes that came from various parts of the House, because there was a great deal of confusion:

> Mr. Mackenzie King: I did not refuse to carry on. May I say further that after tendering my resignation I distinctly stated to His Excellency, and stated it in writing, that I was prepared, if His Excellency so desired and should ask me, to keep my resignation in abeyance until he had had the opportunity to take such further steps as he might wish to take.

That was clearly understood by this House, whatever may have been the intention of the leader of the opposition of the day, as meaning that in the ordinary course and following the usual precedents, precedents which are without exception I think in the political history of Canada, the Prime Minister had offered to continue in the administration until a new prime minister might be selected and would have had the opportunity to select his associates so as to form an administration for the government of Canada. When that statement was made, I replied as follows:

> Mr. Cahan: I do not wish to raise the question, but unfortunately His Excellency cannot be present to give his testimony as to what took place.

Then there was a storm, and the Chairman of the committee compelled me to withdraw

that statement as being a reflection upon the veracity of the leader of the opposition of the day. Hansard goes on:

Mr. Mackenzie King: Fortunately I have a copy of the letter in which I tendered my resignation. May I say to my hon. friend that when I spoke first to His Excellency on the matter of resignation, it was on Saturday. I had several interviews with him before the final resignation was accepted.

Bearing that statement in mind, I felt it my duty on the opening of parliament to place upon the order paper a motion asking for the production of the correspondence between the present Prime Minister, who was also then Prime Minister, and His Excellency Lord Byng. That correspondence has been produced, rather reluctantly, by the Prime Minister; in fact, if I understood his suggestion to the House it was that whoever moved for the production of that correspondence would have to assume a very great and a very grave responsibility. Nevertheless, we persisted in the motion, with the result that there has been produced certain correspondence and certain letters, which have been placed upon the record of Hansard. One of them, however, has not yet been read to this House, although it has been referred to, and I am going to read it and put it upon Hansard, and make certain comments upon it:

Ottawa, June 28, 1926.

His Excellecy
The Right Honourable the
Baron Byng of Vimy, G.C.B., K.C.M.G.,
Governor General of the
Dominion of Canada, Ottawa.

My dear Governor General,

Your Excellency having declined to accept my advice to place your signature to the order in council with reference to a dissolution of parliament, which I have placed before you to-day, I hereby tender to Your Excellency my resignation as Prime Minister of Canada.

Your Excellency will recall that in our recent conversations relative to dissolution I have on each occasion suggested to Your Excellency, as I have again urged this morning, that having regard to the possible very serious consequences of a refusal of the advice of your first minister to dissolve parliament, you should, before definitely deciding on this step, cable the Secretary of State for the Dominions asking the British government, from whom you have come to Canada under instructions, what, in the opinion of the Secretary of State for the Dominions, your course should be in the event of the Prime Minister presenting you with an order in council having reference to a dissolution.

Note that. Note that the Prime Minister of that day, in an official statement, expressed in writing to the Governor General of the day, insists that he came to Canada under instructions from the Secretary of State for the Dominions. I would like to know where in the record are those instructions. The only instructions that can be found in the official documents are instructions from His Majesty himself, and there is not a suggestion either in the appointment of Lord Byng as Governor General, or in the letters patent and instructions issued to him, that he was to act otherwise than as a Governor General or Viceroy exercising the prerogatives of the king. The letter proceeds:

As a refusal by the Governor General to accept the advice of a prime minister is a serious step at any time, and most serious under existing conditions in all parts of the British Empire to-day, there will be raised, I fear, by the refusal on Your Excellency's part to accept the advice tendered a grave constitutional question without precedent in the history of Great Britain for a century and in the history of Canada since confederation.

If there is anything which, having regard to my responsibilities as Prime Minister, I can even yet do to avert such a deplorable and, possibly, far-reaching crisis, I shall be glad so to do, and shall be pleased to have my resignation withheld at Your Excellency's request pending the time it may be necessary for Your Excellency to communicate with the Secretary of State for the Dominions.

I am, Your Excellency,
Yours very sincerely,
(Sgd) W. L. MACKENZIE KING.

Therefore the Prime Minister of that day, in tendering his resignation, sought to lead—shall I say mislead?—the Governor General of Canada into believing that he was a mere agent for the Secretary of State for the Dominions, and that it was his duty, in relation to a crisis which had occurred in the domestic affairs of Canada, to seek the advice of the Secretary of State for the Dominions as to his conduct on that occasion. Further, in the debate yesterday, the Prime Minister said that he had also urged upon the Governor General to take the advice of Sir Robert Borden. Well, if it had become known to this country that His Excellency had taken the advice of a retired prime minister, who had owed his support to the Conservative majority in this House, what an uproar would have been created throughout the length and breadth of this country? I admit that in times of grave crisis there are precedents for His Excellency convening his Privy Councillors, but always men of both or of all political affiliations, in order that they, as the experienced and wise statesmen of the country, may give him advice, but never yet have we heard of a prime minister when seeking a dissolution of the House urging the Governor General or a viceroy or even the king himself to take the advice of a retired politician of the opposing political school as

to what His Excellency should do in the premises. Now, what was the effect upon the country? The Prime Minister said that the result of the general election was a vindication of the course that he had pursued in establishing a new and important political principle. But I say to you, Mr. Speaker, that if there was any such decision by the electorate—which I do not admit—it was obtained entirely on misrepresentation as to the actual issue before the country. Not only did the Prime Minister convince me personally that night, but he convinced the members of this House and the people generally that, following the usual precedent, he had, in tendering his resignation, offered to carry on the administration until his successor would have ample opportunity to select his cabinet and to present to the country an administration duly formed and sworn into office. That was the impression given throughout the entire Dominion. In fact, in the province of Quebec I remember well—and I have taken just a few quotations—the Governor General was criticized repeatedly in view of the attitude which he had taken—it was assumed that he had consulted the Secretary of State for Dominion Affairs—and his conduct was characterized as that of a "subaltern" of the Secretary of State for Dominion Affairs. Let me refer to a speech made by the hon. member for Labelle (Mr. Bourassa)—made in the utmost good faith, I believe, because he was thoroughly persuaded that the Prime Minister had fulfilled his whole duty to the House in making a statement that was full and frank and true in every particular. Misled by that statement, the hon. member for Labelle, speaking at Papineauville about July 15, 1926, or a few days later, said:

> But not only the Governor General let Mr. King go without taking that preliminary precaution—

That is, the precaution to secure from the Prime Minister his assent to carry on the administration until his successor could be appointed.

> —which no king of England since George III and no government head in Canada before has ever failed to take (namely, to retain Mr. King in the premiership until his successor might be selected), but Mr. King having offered in writing to retain power until another government could be formed, he refused to take notice of that offer.

That is, that the Governor General had refused to take notice of the offer of the then prime minister to carry on, when now we know the whole truth that His Excellency as the representative exercising the prerogative of the king in this country, had refused at the behest of a discredited prime minister to seek his instructions from the Colonial Office. The hon. member for Labelle then proceeded:

> But our Governor General is not only the representative of the king. He is appointed by the British government. The question which would be of interest to have answered is: Did he act as king or as an employee of the British government?

Then in view of the statements which had been made by the Prime Minister upon his retirement and of the subsequent statements which had been given by him to the press, the hon. member for Labelle continued:

> No one will make me believe that he—
>
> The Governor General.
>
> —did not wire to London. It is true that Mr. Amery, the minister of the colonies, said he had nothing to do with it, but I know Mr. Amery, and when these ministers of the crown find it necessary to prevaricate a little they do not stick at telling a big one.

And on that issue the Prime Minister went to the country! That is the grave constitutional issue which he, by failing to present the full facts to parliament and the people, led the electorate to believe that they were required to give a decision upon. Therefore I say that when he now flatters himself that he secured the approbation of the people of Canada for what he himself calls his "chivalrous conduct" towards the late Governor General, he is resting under an entire misapprehension. Now, I do not intend to go further into that question. I am not here to enter into any discussion with the Prime Minister as to the attitude of the right hon. the late leader of the opposition, Arthur Meighen. It is not my office to do so. Whenever the Prime Minister wishes to provoke a discussion of that kind he will find that the Right Hon. Arthur Meighen is fully equipped, intellectually and otherwise, to give him the answer which his conduct deserves But in the debate yesterday the Prime Minister referred to a certain article in the Dalhousie Review.

Mr. MACKENZIE KING: I beg my hon. friend's pardon. He refers to the Minister of Justice; I made no reference to the Dalhousie Review.

Mr. CAHAN: I accept the correction. It was the Minister of Justice. I was referring to yesterday afternoon's debate, and the Prime Minister spoke on Tuesday. Yesterday afternoon the Minister of Justice in referring to this point quoted from an article in the Dalhousie Review, which he attributed to the hon. member for West Calgary (Mr. Bennett), who happens, by virtue of his high position as

a Doctor of Laws of that university and his munificent bequests to it as one of its friends and advisers, to be also one of the directors of the Review published by the university. But that article was not written by the hon. member for West Calgary. It was contributed by Professor R. McG. Dawson, a professor in one of the universities of the United States, who undertook to advise the people of Canada as to their rights and privileges in the premises.

I am not any more concerned with this issue than to say that it is absolutely necessary from time to time to vindicate the rights and privileges of the parliament of Canada in which we sit as members. Legally the ministry, or the government, is unknown. Constitutionally it must derive whatever powers it has from parliament, and not always necessarily under the statute. Parliament is the real custodian of the prerogatives of the crown which ministers are accustomed to exercise. Therefore the rights of a ministry may be taken to be such, and only such, as presumptively have been given by parliament, whose executive committee the ministry is, including the right to exercise the prerogatives of the crown as such in a constitutional sense. The Prime Minister referred to an episode at Westminster, and I will state my best information in that regard. In 1910, His Majesty refused dissolution to Premier Asquith, the present Lord Oxford, but granted it later in the same year when, according to the sovereign, different considerations and circumstances demanded a different conclusion. Again I am informed that in 1923—

Mr. MACKENZIE KING: Will my hon. friend give the source of his information so that we may know what importance to attach to it?

Mr. CAHAN: I obtained my information from the documents of the time, which I can look up again if necessary. Lord Oxford referred to it not long ago in a public statement, and I understood that it was referred to in a debate of last session on this very issue. I have a further statement, the source of which I cannot give but which I have no doubt I have seen, and my memory is usually fairly accurate. In 1924 His Majesty the King refused to grant dissolution to Premier MacDonald. Dissolution was subsequently granted but before that was done the sovereign consulted his privy councillors representing both political parties, some political opponents of Premier MacDonald and some political friends, and after that consultation the king did grant dissolution.

Mr. MACKENZIE KING: I think it very important that we should have the source of this last statement, because it goes very far in disclosing what took place between the king and his advisers.

Mr. CAHAN: I saw it in the public press, and I took the opportunity of consulting one who should know, an authority on such matters, but whether or not I am at liberty to give his name I do not know. If there is any doubt about it I will withdraw the statement; I thought it was well understood that such was the case, but if the Prime Minister thinks there is any doubt as to the accuracy of that statement I will withdraw it.

Mr. MACKENZIE KING: I think there is great doubt.

Mr. CAHAN: I will leave it at that for the moment, but my information was that dissolution was refused at one time and granted at another. One statement I do wish to make is that an examination of all the precedents, British, Dominion and colonial, arising during the last century, will disclose that no dissolution has ever been advised and granted while a motion of censure against the ministry has been pending in parliament. Dissolutions have been granted after motions of censure have been passed, but there is a great difference between the two cases. The one case involves interference with parliament in the midst of a conflict with its own ministry, and while that ministry is on trial; the other case involves merely a reference—and usually a necessary reference—to the electorate of the country for decision of an issue which stands concluded as between parliament and the ministry. The electorate is the final court of appeal, but without fear of contradiction from any precedent which has been established I say that the parliament of Canada in all cases, having tried the ministry, is entitled to pass its judgment, and that no ministry has the right to attempt to dissolve the court before which it is being tried until a verdict has been rendered upon the issue in question. No cases can be found in which the sovereign or any viceroy representing the sovereign has attempted at the request of a prime minister to destroy the very court before which he and his colleagues were compelled to appear. If we are now to have the new rule that at all times and under all circumstances the prime minister of this country is to have a dissolution upon request, we may have a dissolution to-morrow; then returning beaten the prime minister, being the sole adviser, may request another dissolution and so we may

have the most tyrannical, despotic and autocratic efforts made to destroy civil liberty in Canada. Therefore before the Prime Minister flatters himself that he has established a precedent, we must have further enlightenment upon what actually took place between him and Lord Byng last summer.

To proceed further, it is recommended in this report that very grave changes be made in a series of imperial acts which have applied to the Dominion of Canada ever since this Dominion was established. These imperial acts apply to almost every ramification of our civil and commercial life. In the report of this committee as embodied in the Imperial conference report, it is recommended that every imperial act, which is not in accordance with the new constitutional status alleged to have been established at the London conference, is to be modified and amended; and, if I understood him correctly, the Minister of Justice (Mr. Lapointe) yesterday stated that when this is all accomplished the sole bond between this country and Great Britain and between this country and the other dominions will be our common sovereign. Is that really what it will mean when this political program is carried into full effect? There is a difference of opinion with regard to that, and I notice that Mr. Ewart raised the issue in the Ottawa Citizen of March 1, 1927. I do not cite what he said for the purpose of approving of it, but in referring to Right Hon. George P. Graham, a former colleague of the Prime Minister, Mr. Ewart said.

> I wonder whether Mr. Graham, or any of his applauders, could tell what he meant. Did he mean that Canada's part should be equal to that of the United Kingdom? Or did he mean that Canada's part should be subordinate to that of the United Kingdom? If he meant that Canada's status was to be equal to that of the United Kingdom, he meant that Canada would be a sovereign, independent (same thing) state, for that, undoubtedly, is what the United Kingdom is. He meant that the only political association between the two countries would be their allegiance to the same sovereign.

I may be mistaken, and if so Hansard will not bear me out, but I understood the Minister of Justice to state that when these reforms now recommended were carried out, these dominions would simply be associated by reason of the fact that they had a common sovereign. Therefore, with respect to Mr. Graham's statement, Mr. Ewart says:

> He meant, therefore, that Canada would cease to be a part of the British Empire. If then, Canada's status is to be equal to that of the United Kingdom, she will not be working out her destiny "by remaining a part of the British Empire."

[Mr. Cahan.]

Now there is a clear-cut policy. It has a considerable support in this country no doubt. There has been a propaganda carried on—cleverly and ably carried on by Mr. Ewart himself—in favour of the establishment of that status. Is that the status the Prime Minister wishes to achieve? If so, it is impossible, I think, Mr. Speaker, for him to continue long to make such speeches as he recently made at Toronto. They are irreconcilable with this theory which was announced, I think, by the Minister of Justice yesterday; or at least, I have not sufficient intelligence to discover the point of concurrence. That means that the Prime Minister of this country by giving assent on behalf of Canada at the Imperial conference to the carrying out of all these reforms, by a special committee to be appointed for that purpose, has given, or assumed to give, the support of Canada to a policy of destroying the whole fabric of the present constitution in so far as it covers our political relations with Great Britain and our political relations with the sister dominions. And if he is permitted to assume that he has now the tacit support and approval of this parliament merely because he has laid that report upon the table of the House, then he will assume that, being the leader of the House and the Prime Minister of the country, he has right and authority to go on and carry out all these alleged reforms.

Now, how are these reforms to be carried out? There is not one of them which depends, necessarily depends, upon any resolution or any statute of the Canadian parliament; they may one and all be carried out by an imperial enactment, or by amendments to existing imperial statutes.

Mr. MACKENZIE KING: I want to interrupt my hon. friend in order, if possible, to avoid further interruptions. I hope he will not infer that because I am not raising any questions with respect to interpretations he is putting on the remarks of the Minister of Justice, or the linking up of remarks made by others with the names of the Minister of Justice and myself, I think he is justified in so doing. I do not wish it to be understood that because I do not interrupt him when he is doing this I agree with any of his remarks.

Mr. CAHAN: I accept the statement at once, and I hope the right hon. gentleman does not assume that when he makes an elaborate statement to the House hon. gentlemen on this side approve exactly of what he does say, even though they may not express dissent.

Mr. MACKENZIE KING: I have often heard my hon. friends make remarks to the effect that I was present and heard certain statements and did not take exception to them. That is what I want to make clear.

Mr. CAHAN: I do not know that I ever made a statement of that kind, but the hon. gentleman is already assuming, in reference to the most important declaration ever placed before the parliament of this country, that parliament acquiesces in it because it has not yet expressed dissent.

Now with regard to the question of the reservation and the veto of Canadian acts—the hon. gentleman says that is obsolete as a constitutional practice. It is obsolete with respect to Dominion affairs. It is obsolete with respect to every matter concerning peace, order and good government in Canada. Edward Blake achieved that away back in the seventies, and the statement of his argument will be found, I think, in sessional paper No. 13 of 1877. Since that time there has been no effort to reserve, to disallow or to veto an act passed by the Canadian parliament. Edward Blake placed it on the strong, substantial basis that with respect to matters appertaining to the domestic affairs of Canada the crown, as represented by the Secretary of State for the Colonies, should not intervene and should not veto, and that with respect to imperial or inter-imperial affairs, while the law would still remain on the statute book, it was best obviated by restraint on the part of the government of the parliament of Canada. Therefore, in the letters patent which are issued to His Excellency the Governor General, there is no direct reference, I think, to sections 54, 55 and 56, of the British North America Act, which are still in existence, at least as laws; but his instructions provide that His Excellency shall respect such laws as are or shall hereafter be in force in our said "Dominion." The instructions are that the Governor General is to carry out the laws "as are or shall hereafter be in force in our Dominion."

With reference to the disallowance or reservation of Dominion legislation, the Imperial conference report says:

> On this point we propose that it should be placed on record that, apart from provisions embodied in constitutions or in specific statutes expressly providing for reservation, it is recognized that it is the right of the government of each dominion to advise the crown in all matters relating to its own affairs.

Now that specific statement is there. Sections 55, 56 and 57—if those are the particular sections—of the British North America Act still remain in force and with full legal effect, and the conference decides that "apart from provisions embodied in constitutions or in specific statutes expressly providing for reservation," the right of the government of each dominion to advise the crown is in full force and effect. The report continues:

> We are of opinion that there are points arising out of these considerations, and in the application of these general principles, which will require detailed examination, and we accordingly recommend that steps should be taken by Great Britain and the dominions to set up a committee with terms of reference on the following lines:—
>
> To inquire into, report upon, and make recommendations concerning—
>
> (1) Existing statutory provisions requiring reservation of Dominion legislation for the assent of His Majesty or authorizing the disallowance of such legislation.

Now to show you how open this report is to diverse opinions let me call the attention of the House to the fact that in the House of Commons of Great Britain this matter of reservation and disallowance of dominion acts was referred to on November 25th, 1926, The official report is as follows:

> Sir Clement Kinloch-Cook asked the Prime Minister, in view of the conclusions reached by the committee on inter-imperial relations, whether any change is contemplated in respect of the right of a governor to refuse assent to any measure passed by a dominion parliament, or to reserve any measure for the consideration of the crown.
>
> The Prime Minister (Mr. Baldwin): This aspect of the position of the Governor General was not dealt with in the report of the committee on inter-imperial relations and I am not aware that any change is contemplated.
>
> Sir C. Kinloch-Cook: Is there any change in the right of veto?
>
> The Prime Minister: No change that I am aware of.

That clearly indicates to my mind that the Prime Minister of England regards this report as dealing only with reservation and veto in connection with acts of those dominions whose statutory constitution do not contain express provisions for such reservation and veto. But that does not concern me so much as the fact that with regard to all these proposed amendments to imperial statutes, it is proposed that a committee shall be set up by Great Britain and the dominions "to inquire into, report upon, and make recommendations" regarding the abolition, modification or amendment of those imperial statutes which affect almost every department of life in this country.

The policy which the right hon. gentleman is urging, the policy which has been adopted by the Imperial conference in view of the strong representations made chiefly, I assume, by South Africa, is that the inter-imperial

constitution as expressed in imperial acts under which we live and have our being to-day, is to be wiped out, and what is to take its place? What provision is being made for a new arrangement or understanding or agreement between Great Britain and those dominions or between the dominions themselves with respect to the preservation and maintenance of that vast body of rights, privileges, and interests which they mutually enjoy and which we have hitherto enjoyed in Canada? That is the essential issue, and that is why I hesitate, by any tacit assent, to give to the Prime Minister and his colleague the right to proceed to secure from the Imperial parliament the abrogation of those imperial statutes which are so intimately connected with our political life to-day.

For instance, there is not only the question of reservation but the matter of providing for Dominion legislation having extra-territorial effect. I agree there are some vestiges which ought to be removed. I have not looked into the law recently, but I remember in my practice a few years ago a case in which a man residing with his wife and family in Montreal went to secure work in the United States. Having prospered, he committed the bigamous offense of attempting to marry another woman there. Then prospering still further, he brought back to Canada this second alleged wife or mistress, established her in a house on the adjoining street, and to the great disgust of the entire social community was rearing another family of children. When the lawyers were discusing the question of how he could be brought before the courts and punished for the crime of bigamy, it was ascertained that, while under the criminal law in this country we could punish a Canadian citizen for going beyond the territorial limit with the intention of committing a crime, yet if he did not proceed beyond the territorial limit with the intention of committing a crime, though he actually committed a crime abroad, our courts and our laws had no jurisdiction over him.

I remember again when it was proposed that we should have a Canadian navy, it was assumed that we could have ships of war for the protection of our commerce on the high seas. I remember pointing out to Sir Wilfrid Laurier that under existing legislative powers Canada could not enact any law governing the conduct of the officers and men of those ships when once they had proceeded beyond the three mile limit; that as regards Canadian laws the sailors might mutiny or commit other crimes beyond that limit but there was no Canadian law under which they could be punished, and the Canadian parliament had no jurisdiction to enact such a law. The result was that an amendment was made to the imperial statute dealing with that particular matter.

I agree entirely that with regard to such matters as these the time has come when, for the peace, order and good government of Canada and Canadian citizens, there should be conceded to this parliament power to enact laws ancillary to the administration of public order in Canada, under which we will be enabled to punish Canadian citizens who have committed crimes abroad and subsequently returned to Canada. Those certainly are matters which should be dealt with, but how far will the Prime Minister go with his committee? Who are going to compose it? Will the opposition members of this House be represented on it when the inquiry is to be made? Is the inquiry to be a partisan study and the whole matter brought before the House, after being considered by only one section of the House? Is it to be a study made by a commission before which those interested will have an opportunity to appear and present their views? How will the commission be made up?

I have every respect for the Prime Minister as chief of the government of Canada, and I never will be found wanting in that respect when he goes abroad either to the Imperial conference in Great Britain or to any other country to represent Canada. I am prepared to stand by the Prime Minister of this country in the administration of all important inter-imperial and external affairs; but as the consideration for that I demand that in all those matters he will deal frankly with parliament; that he will recognize that parliament is the constituted authority in this country; that the authority of his office is derived only from parliament, and that it is due to parliament that he should report to and secure the approval of parliament for every step which he takes in those grave matters.

The Colonial Laws Validity Act of 1865 is important in this respect that, as stated by the Minister of Justice yesterday, it prevents the parliament of Canada from passing an act abolishing appeals to the Privy Council, and therefore when we sought to abolish appeals in regard to criminal cases, we found that the legislation which we passed, I think, section 1025 of the Criminal Code, was void ab initio.

The Judicial Committee of the Privy Council is a court of appeal for the colonies only. It is true that it continues the prerogative right of British citizens of any part of the

world to appeal to the foot of the throne. It derives its original jurisdiction from the fact that British citizens going out from England to all parts of the world and establishing settlements in America, say, or in Asia, were deemed to have the right of appeal to the king in council from the arbitrary laws that might be passed by the constituted assemblies in those colonial territories. But no citizen of Great Britain has the right of appeal to the Privy Council except in certain classes of cases relating to the administration of the Church of England. Personally, and in this I am speaking for myself, and for myself alone, I regard an appeal to every one of the king's courts as an appeal to the king. I regard an appeal to any one of the king's courts of final resort as the equivalent of an appeal to the sovereign judicial authority in this country which was previously represented in the sovereign alone, and therefore, in regard to criminal matters, I can see no reason why appeals to the Privy Council in criminal cases should be longer admitted; but as I interpret the law, no act passed by the parliament of Canada can abrogate that right. As I said the other day, and one can simply judge from his own experience, there are certain classes of commercial cases in which the right of appeal to the Privy Council might be limited or restricted, but there are other cases in which I do not think, under the conditions which at present prevail in this country, the right of appeal should be entirely taken away.

Now what does the Prime Minister propose? He is to appoint Canadian members to a committee which is to take steps to carry out this modification of the Judicial Committee Acts, under which appeals are now made. Is that committee to report back to this parliament and secure the approval of this parliament? Not necessarily, because the Prime Minister can secure an abrogation of the Judicial Committee Acts or of any part of them by the parliament of Great Britain, in which this country has no representation whatever, and in view of the position which the Prime Minister has assumed at the Imperial conference, his ipse dixit there is supposed to represent, and is accepted by the government of Great Britain as representing, the prevalent opinion of the majority of the Canadian people and the approval of the Canadian parliament as a whole.

If we are proceeding to break down, piece by piece, the constitution which prevails with respect to inter-imperial affairs without substituting any new agreement or convention in its place, we now have a right to ascertain and to know how far the Prime Minister intends to proceed. The better way, it seems to me, would have been for him to have bravely carried out the promise which he made to the House on December 13, and to have submitted this report to parliament and asked for its approval. That would have placed us in a position where, without any vote of want of confidence necessarily, we could have expressed our views as to the conditions under which these proposed modifications should be obtained, as to the extent to which they were advisable in the interests of Canada, and as to the reservations which we might desire to make to the carrying out completely of the recommendations contained in that report. But the right hon. gentleman has not kept his promise. He has repudiated it for certain reasons known only to himself. He had the opportunity to present those reasons to the House in his address of two hours in length; he can again speak upon the amendment which has been moved, and I think that this House ought to have placed before it, on his responsibility as Prime Minister, the procedure he intends to adopt and the extent to which he intends to go, in carrying out these recommendations contained in the Imperial conference report.

There are other matters that affect us very materially indeed. Take the matter of shipping. Every one of us knows that there is really no such thing as a Canadian ship except it be some ship that does not come under the registration for marine purposes. The ships which are built in Canada and which are owned in Canada are registered in Canada, it is true, but they are registered in a registry provided by imperial legislation, and when these Canadian ships so-called, which are really British ships under British registry, sail from Canadian ports to the utmost parts of the world they are from the time they pass beyond our three-mile limit under the jurisdiction of the imperial act known as the Merchant Shipping Act. The Imperial conference points out that this Merchant Shipping Act of 1894, more particularly clauses 735 and 736, are not consistent with the constitutional status of the dominions and Great Britain, that is the equality of status now assumed, and they advise that a sub-committee be appointed:

> To consider and report on the principles which should govern, in the general interest, the practice and legislation relating to merchant shipping in the various parts of the empire, having regard to the change in constitutional status and general relations which has occurred since existing laws were enacted.

As I said before such an inquiry will have multifarious ramifications with regard to

Canadian shipping and even to the coasting trade of Canada. Shipping legislation of the Canadian parliament at present may not come into operation unless and until it receives the approval of His Majesty the King of Great Britain; and moreover, any treaty rights or privileges enjoyed by the shipping of a foreign government in respect to the coasting trade of Canada, or any other dominion, is not now liable to be abrogated or restricted by any act of the Canadian parliament. This country has a very large shipping interest, and if we are to become so separated from the empire that the sole political connection shall be found in the one symbol of the same king for all the different parts of the empire, if we are to become separate and independent sovereign states, as many contend, we must proceed at once and secure the assistance and advice of the very best minds that this country can produce in a sort of constitutional convention to ascertain what shall be the basis of our maritime rights in the future, and what shall be our future relations in this respect with Great Britain and the other British dominions.

Take our admiralty courts. Our admiralty courts in Canada exercise a jurisdiction conferred by the Colonial Courts of Admiralty Act, 1890, and our Canadian laws establishing such courts and their procedure and practice, are still subject to the approval and confirmation of the government of Great Britain. We by our statutes provide the procedure only, and the procedure in those courts must be recognized and approved by a department of state in London before coming into effect. Now what does the right hon. gentleman propose? Does he propose to abrogate all these admiralty courts in Canada as they at present exist? Does he propose to pass new acts which shall give them their jurisdiction? Does he propose that hereafter there shall be such an extension of our extra territorial rights that we by act of the Canadian parliament, will have supervision and control of Canadian ships in whatever part of the world they may be? What will he substitute for admiralty courts in this country? What is his prevision in regard to this question? He is entering upon a tremendous task, and what is he proposing to do? Is he to do it as his own mind suggests, or is he to seek the coöperation and approval of parliament, step by step, as he proceeds? The very fact that he has refused to submit this report to parliament, although he has promised to do so, leaves in our minds grave doubts, and leaves in the minds of a great body of intelligent people in the country grave doubts as to whither we are proceeding. Many men are asking, "Watchman, what of the night"? and the watchman, in the person of the Prime Minister, refuses to make any response or to give any clear definition as to what he intends to do.

Take the question of equality of judicial status. We have had that question before us, and it has been discussed under the provision dealing with the abolition of rights of appeal to the Privy Council. Now judicial equality or equal status in judicial affairs can be achieved, it seems to me, only in one of two ways. If appeals are to continue to the judicial committee of the Privy Council, then we must have the right vested in parliament and government of Canada, to appoint a number of representative Canadian judges to that court, who will not be under the influence of British opinion, but where they will sit as Canadian appointees having their stipends or salaries provided by the Canadian parliament, and so represent Canada on that court. If, on the other hand, we are not to have permanent Canadian representation on the Judicial Committee of the Privy Council, then the question arises as to the amendment by the Imperial parliament of the statutes providing an appeal at the present time, so as to restrict those appeals to such matters as meet with the approval of the Canadian parliament. Therefore the Judicial Committee Acts should be considered also, and we should have a clear statement from the government as to what we are about to do in these matters. Take our relations with foreign countries; are we to have inequality in respect to foreign affairs? We cannot have it unless this country is prepared to take its part in the matter of imperial defence. Following the conference which the Prime Minister attended where all are alleged by him to have been in agreement, I find that Mr. Fitzgerald, Minister of External Affairs, on 15th December, in the assembly, of the Irish Free State made this report of the conclusions reached:

> The conclusions of the Inter-Imperial Relations Committee were intended to make clear the implications of co-equality, and to prepare the way for the gradual elimination of legal machinery and administrative practices not in conformity with that principle.

With that interpretation I presume we all agree. Then in replying to inquiries as to the position of the Irish Free State in the event of a declaration of war, Mr. Fitzgerald said:

> So far as I can interpret it, it would mean on strictly theoretical constitutional lines that the king could only declare war when he had

simultaneous unanimous advice to that effect from all the governments. That would be the constitutional position.

Is that the position taken by the Prime Minister in this country, or does he accept the theory that Great Britain may declare war and that Canada may maintain peace? Does he accept the theory there propounded that in all respects the declaration of war must receive the practically unanimous approval of the governments of the various dominions? Does he assume that Great Britain no longer can declare a war which might affect the interests of Canada without the full sanction and approval of the government of Canada? What is his theory on which he intends to build up a new constitution of inter-imperial relationship as between Great Britain and the dominions? That we have a right to know, and particularly because at the Imperial conference, when all were agreed, Mr. Bruce said:

> I suggest that though we have an equality of status it carries with it some responsibility to share the common burden of defence as a set-off against the great advantages we have received in recent years from our connection with the empire.

Mr. Coates said:

> Could not the burden of construction of the necessary ships be borne in greater proportion by those dominions who do not consider themselves so vitally concerned in Singapore? As I understand it, the policy of developing it as a naval base is approved, and the work is to be continued at considerable cost. That being so, and on the principle that he who gives at once gives twice, it seems important that offers of assistance from the dominions and India should soon be made.

And I notice that a publicist so well known as Edward Salmon, in reviewing the work of the conference, says:

> Equality of status within the empire implies equality of responsibilities also.

Mr. Balfour on December 8, 1926, referring to the matter of imperial defence as dealt with by the report of the Imperial conference, said:

> I should say that so far as this country is concerned, we are bound to go to war to defend any part of this empire which is in danger. Personally, I think the duties of all other members of the empire to us are not less than our duties to them; but, as to the particular conditions under which that great duty is to be exercised, I do not believe anything is gained by inventing hard cases beforehand.

That is his statement in the House of Lords which the right hon. gentleman opposite did not quote when reading part of that statement. This Imperial conference report also ratifies the resolutions passed in 1923 dealing with imperial defence. It seems to suggest that in regard to imperial defence there is to be complete coöperation between Great Britain and the several self-governing dominions. What attitude does the right hon. gentleman and his government take in regard to that? Do they admit the principle? He and his colleagues sat in the Imperial conference when these discussions were being carried on. They heard the declarations of Mr. Coates and Mr. Bruce there. The Prime Minister declared at the House of Lords dinner that their opinion was unanimous with respect to all that had been done. Yet when Mr. Bruce and Mr. Coates, in passing through this country, had the courage to say here exactly what they had said at the conference and exactly what they had said in public discussions in London, I find the Minister of Justice (Mr. Lapointe) at the Toronto meeting suggesting in very emphatic terms that these gentlemen had better keep their opinions to themselves while in this country, and I remember seeing in the press another statement made by the Prime Minister somewhat to the same effect.

What does all this mean? If we are to have an Imperial conference report submitted to us, let us have the whole of it submitted, and let us understand once and for all what is the constitutional theory which will hereafter govern the relation of Great Britain and the dominions in the matter of imperial defence. Let us have some clear idea and pronouncement in regard to it. I have a strong suspicion that whatever excuses the Prime Minister may give for not having produced the report to this House for its approval, it will be found that one of the chief reasons, although not announced, is that he and the members of his government, and the members supporting him on the government side, are not in complete accord, and that he with the skill of the equestrian, which he has often displayed, is attempting to ride two horns of a dilemma and has not the courage to come before the House with any clear enunciation of policy in regard to it.

Also, we have had the suggestion that hereafter the Governor General is not to be the medium of correspondence between this government and the British government. The Governor General represents His Majesty the King now. I do not know who takes responsibility for the Governor General. Does my right hon. friend the Prime Minister suggest that in all that the Governor General does at the present time, his speeches and public pronouncements, he, the Prime Minister, assumes responsibility on his behalf to the House and the country? I do not know just exactly what his relationship is to the Governor General. But one thing is clear, that when

it was found necessary to appoint an envoy extraordinary to Washington, the Governor General was the means of communication between this government and the British government and the king. And to whom did the Governor General report in the correspondence brought down by the Prime Minister yesterday? The Governor General, acting for this country, made his communications through the Secretary of State for Dominion Affairs, and the replies which are presumed to come from the king to this government are sent by the same British minister. Has that practice ceased, or is it to continue? By what means does the Prime Minister have access to His Excellency? He stated yesterday—and I assume it was in a jocular mood to divert my attention for a moment—that in the appointment of the Hon. Mr. Massey as envoy plenipotentiary to the United States he had seen the king. Hereafter whenever a representative of Canada is to be appointed to any foreign state, or a commissioner is to be appointed by the king at the request of the Dominion government to take part in any foreign negotiations, will the Prime Minister leave the Dominion and visit the king personally, take him apart in secret and advise him, without allowing His Majesty to consult with his British ministers in regard to the appointment? I ask the Prime Minister, despite all this talk that we have in the public press, to which his own speeches have given encouragement, is it not the fact that for the present and in the future he assumes that in all these matters the communications expressing the will and advice of the Canadian government will not pass to the king directly, will not be given to him orally by the right hon. gentleman on his visits to England, but will pass through the British Foreign Office, where they will be under the supervision and, to a certain and large extent, under the control and direction of the British Foreign Office as before? Or is the contrary the case, that hereafter the British Foreign Office is to have no direction and no control over the Canadian government in these affairs, and that the High Commissioner in London—who was selected to make the Prime Minister's post mortem political statement to Mr. Baldwin as Prime Minister of Great Britain,—will first receive the advice of the Canadian government and will then seek access to the sovereign in order to transmit that advice to him?

We have, Mr. Speaker, a preposterous condition before us. We have the right hon. gentleman proceeding to London without having given one moment's consideration to these great problems. He announced to the House that he had given no consideration to them. Even if he had, he is not in a position to give any final opinion in regard to them because he has not consulted with this House, to which he is responsible, with regard to these great constitutional changes which are now proposed. He now seeks by the tacit approval of this House, not having the courage to present a report of his own work for its approval and confirmation, to proceed to disrupt every one of these constitutional ties which bind and connect us with Great Britain and Ireland and with the dominions beyond the seas. And while he has endorsed and proposes to carry out a policy of disruption and destruction, he has not one single positive idea to present to this House as to the formation of any new convention or as to the new alignments and political connections which are absolutely necessary if the position of Canada is to be maintained in this world.

I ask then the government to accept this amendment to his motion in its entirety and thereafter to deal with us frankly. Let the Prime Minister accept the amendment; let him admit to this House that he has not now the necessary parliamentary authority; let him admit that he does not desire by any tacit consent to secure the approval, or the apparent approval, of the parliament and the people of this country to these great changes. In the making of these changes, whether by the Canadian parliament or by the Imperial parliament—because the Imperial parliament may carry them all out—let him now give us a solemn promise that before they or any of them are made he will come to this House and secure its necessary authority and consent. Why, when he has failed to bring down the Imperial conference's report, why when we are prepared to present our views in this short amendment, does he not accept those views with manly courage and wait until he can later present the Imperial conference report as a whole and obtain its ratification and sanction by this House with or without amendment.

Mr. E. J. GARLAND (Bow River): Mr. Speaker, I do not propose to attempt to follow the hon. gentleman who has just taken his seat (Mr. Cahan) through the ramifications of his speech. There is much in what he said, without agreeing with it at the moment, that I submit might well be responded to by the Prime Minister. I think a very serious indictment has been levelled against the right hon. gentleman. I for one have hesitated to condemn him unheard, and so until this moment I have refrained from expressing publicly or privately the opinion which I hold following

the publication of certain correspondence until I heard the right hon. gentleman's position thereon. I think it is only fair that the House should hear both sides of this question, and I trust that before the debate is closed the Prime Minister will give to the House an explanation of his position in respect to it. I wish to say, however, in fairness to everybody, that I cannot follow the hon. member for St. Lawrence-St. George in the position he assumes of wanting to know everything categorically, specifically, dogmatically, immediately. As a matter of fact, I doubt very much whether, even if everything were specifically produced before him and every declaration dogmatically determined, the hon. gentleman would not still find himself disposed to discredit most of it.

On the question of casuistry, I do not think I am going beyond the limits of parliamentary debate when I submit to the House words that the hon. gentleman himself used some years ago. I do not intend to flatter him when I say that the speeches which he has made on Canada's political relations with the empire have always been of intense interest to me, but in none of them have I come across a passage with which I am in such complete agreement as the following. This is taken from a speech made by the hon. gentleman before the Canadian Club of Boston on the evening of Tuesday, January 30, 1912.

An. hon. MEMBER: What hon. gentleman?

Mr. GARLAND (Bow River): The hon. member who has just taken his seat. He said then:

> —in a measure, the natural result of the development in the minds of the Canadian people of the national idea, of the consciousness that they have become a Canadian nation, endowed with a distinctive national character, permeated with a vigorous national life, vested with national responsibilities, and withal, masters of their own national destiny.

The statement is so complete that it requires no further elaboration; I would simply submit to the House that it was made in 1912, whilst the hon. gentleman was in possession of the full faculties of a mature mind—and somebody interjects that he was not in politics, but I do not wish to use such an unfair reference. I will say that those words "withal, masters of their own national destiny" would place the hon. gentleman entirely outside of his argument of to-day.

Mr. CAHAN: Not a bit; I quite agree with them.

Mr. GARLAND (Bow River): The hon. gentleman would now tie us up irrevocably in the empire and make us obligated to the Imperial government in ways which are entirely repugnant to us. That may be casuistry; it may be a change of heart or it may be anything. The hon. gentleman has something to explain in that regard, as the Prime Minister has something to explain in connection with the matters which have been placed before him.

Mr. CAHAN: I accept entirely what I said in Boston, if I remember it correctly. I do not think I have changed at all.

Mr. GARLAND (Bow River): Then is it by a process of casuistry that the hon. gentleman makes consistent his remarks of this afternoon with this splendid quotation? Let me again emphasize those words:

> —a Canadian nation endowed with a distinctive national character, permeated with a vigorous national life, vested with national responsibilities and, withal, masters of their own national destiny.

How under heaven can we be masters of our own national destiny if we are subject and subordinate to some imperial authority? If I have misunderstood the hon. gentleman I apologize; if I have been misunderstood I will ask the hon. gentleman to apologize.

I was delighted with the speech made by the Minister of Justice (Mr. Lapointe) yesterday. I think he laid down his case in as clear a manner and interpreted it in as broad a form as even I could have anticipated from a member of the government in dealing with the work of the Imperial conference. Let me remind the House of one or two sentences which he used, which I took down as he said them. He said that this constituted the final acceptance of the unity of the so-called dominions and the British throne, and liberty in all external and domestic affairs. The hon. member for St. Lawrence-St. George has endeavoured to demonstrate that this is not true. To a degree he is right, and if I were willing to follow him into the legal facts in regard to his criticism I might be compelled to agree with him entirely. But I want to say frankly, Mr. Speaker, that I am in a very pleasant frame of mind this afternoon, and do not intend to be carried away into an unnecessarily cavilling or critical attitude. I am prepared to accept in faith the utterances of both our delegates to that conference. I do not think they have done any harm; I have not seen any great evidence of it, and while they may not have done any great good let us be grateful that at least no harm has been done, and in that spirit approach this report. The Minister of Justice declared that equality of status was not a new principle,

and gave us illustrations of that fact. I agree entirely with him as several other hon. gentlemen have agreed. Equality of status is a principle very deeply rooted in the hearts of our people, and goes back far beyond even the quotations which have been referred to in the course of this discussion. I have in my hand a book called The Union of the British Provinces, by Mr. Whelan, one of the gentlemen who was very active in the days preceding confederation. It is a strange thing and perhaps an unhappy circumstance that we have not on record a verbatim report of the speeches then made, but in two very rare documents, so rare that it is almost under bond that one secures a loan of them from the library, one may find reports of the speeches of the various delegates to the different conferences which took place before confederation. In one of them Sir John A. Macdonald, speaking at a banquet in Charlottetown, on September 1, 1864, is reported by Mr. Whelan as follows:

He had, however, every reason to believe that the result of the convention which held its sittings in Charlottetown for the past week would lead to the formation and establishment of such a federation of all the British North American provinces as would tend very materially to enhance their individual and collective prosperity, politically, commercially and socially; and also give them in their united manhood that national prowess and strength which would make them at least the fourth nation on the face of the globe.

Again at Charlottetown in September of the same year Hon. George Etienne Cartier is reported as having used these words:

They (the delegates) met to inquire whether it were possible for the provinces, from their present fragmentary and isolated materials, to form a nation or kingdom. Canada of herself—

That is Upper Canada at that time.

—could not make a nation; neither could the maritime provinces of themselves become a kingdom. It was, therefore, essentially necessary that those national fragments and resources of all the provinces should be concentrated and combined in order that they, in their trade, intelligence, and national power and prosperity, might be rated as at least the fourth nation of the world.

That is, not only in size and resources, but in status and as to rank and title. I am offering these references to the House because of the statement made by the Minister of Justice yesterday when he said that the work of building the nation has been achieved. Has it? I simply wish to submit these references and ask the House if that work has been completed; frankly, I do not think so. I think we have gone a long way in that direction, but before we start blowing the trumpets or waving the flags it would be as well to see what was in the minds of the fathers of confederation and what was their vision of the destiny of this country, and perhaps we will then arrive at a clearer idea as to how far or how little we have progressed since that time. In my opinion we have progressed very far, but not so far as we should have progressed under more favourable conditions.

At page 16 of the same work, in the course of another speech made by Hon. T. H. Haviland, one of the delegates, he said that from all he could learn the provinces would ere long be one great country from the Pacific to the Atlantic. There was another conference held at Halifax, and by the way, they went in very strongly for conferences in those days, and every conference was either preceded or followed, or both, by immense banquets. Those banquets should be to us a mark upon which we should centre our appreciation, because I rather think that if it had not been for the banquets, many of the things we now know to have been said prior to confederation would not be known to us, and possibly many of the things which were said would not have been spoken were it not for these banquets. We have learned that under wine men open their hearts and tell the truth. If that be the case it makes the quotations I have been using all the stronger. We find at pages 24 and 25, reporting the banquet at Halifax the following utterance by the Hon. George Etienne Cartier, a man of considerable renown, a man whose record is certainly that of one of the great leaders of confederation:

When we come to the territory occupied by these provinces, we see again another great element requisite for the foundation of a great state.

It was not a colony, it was not a great dominion, it was "a great state," a sovereign state these gentlemen had in view. Again at page 25 he said:

Knowing as we do in Canada, that we possess so large a personal element—that we have cleared so much of our territory as would secure to us as respectable a position as many of the European powers, we want to be something greater yet; but that cannot be unless you unite with us.

Another authority corroborates many of these statements—Mr. J. H. Gray, who has written the Confederation of Canada. He has repeated word for word the very statements reported to have been uttered by Sir John Macdonald, then John Macdonald, George Etienne Cartier, and many of the others who took up and discussed this matter at that time. At page 44 we find Sir John Macdonald speaking at Halifax. He says:

If we can only obtain that object—

What object?

—a vigorous general government—we shall not be New Brunswickers, nor Nova Scotians, nor Canadians, but British Americans, under the sway of the British sovereign.

Again he says:

In discussing the question of a colonial union, we must consider what is desirable and practicable; we must consult local prejudices and aspirations. It is our desire to do so.

In the conference we have had we have been united as one man—there was no difference of feeling—no sectional prejudices or selfishness exhibited by anyone; we all approached the subject feeling its importance; feeling that in our hands were the destinies of a nation; and great would be our sin and shame if any different motives had intervened to prevent us carrying out the noble object of founding a great British monarchy, in connection with the British Empire, and under the British queen. (Cheers.)

I do not think a more emphatic pronouncement was ever made by anyone in this country in favour of an independent sovereign state under the sovereignty of the British crown. It is not necessary for me to go further. If hon. gentlemen will simply consult the speeches made before confederation, the debates that took place in the House at that time, the debates that took place at the conference in London, it becomes readily clear that the objective of John Macdonald and George Etienne Cartier—if not of others certainly of those two; they were the guiding figures; they were the men who made the submissions to the conference, and their guiding thought was the creation of a nation on this side of the Atlantic—not a subordinate nation, not a colony, not a dominion, but a sovereign nation in connection with the British Empire, united with the rest of the self-governing dominions under the sovereign. But beyond that they did not go. Just how far have we come? At the conference that took place in London, and indeed prior to the London conference, the objective is made very clear. At page 20 and 21 of Pope's Confederation Documents we find Mr. Macdonald moving on Thursday, 20th October, 1864:

That the executive authority —

This was just prior to going over to London.

That the executive authority or government shall be vested in the sovereign of the United Kingdom of Great Britain and Ireland, and be administered according to the well understood principles of the British constitution by the sovereign personally or by representative duly authorized.

At page 39 of the same work we find a report on the resolutions adopted at the conference of delegates from the provinces of Canada, Nova Scotia and New Brunswick, and the colonies of Newfoundland and Prince Edward Island, held in the city of Quebec. Amongst the resolutions then adopted was the following:

The executive authority or government shall be vested in the sovereign of the United Kingdom of Great Britain and Ireland, and be administered according to the well understood principles of the British constitution by the sovereign personally—

By the sovereign personally!

—or by the representative of the sovereign duly authorized.

It is as clear as possible that without precipitating a debate of an objectionable nature, the intention was to establish a sovereign state under the sovereign personally or a representative of the sovereign duly authorized.

We now can pass to London. In London on the 4th day of December, 1866, a conference of delegates from Canada was again held. It was held at the Westminster Palace hotel. Had I known that at the time I was in London I would have gone to see if the old place was still there. If it is still there I am sorry I missed seeing it. But at that hotel the following resolution was passed by the conference:

The executive authority or government shall be vested in the sovereign of the United Kingdom and Ireland, and be administered according to the well understood principles of the British constitution by the sovereign personally or by the representative of the sovereign duly authorized.

There was never any idea in the minds of the great guiding figures of confederation that we should be subject to the Colonial Office or any representative of the Colonial Office. If there was to be any link, any visible link, between us and the mother country it was to be the king in person, or his representative, and no one else. Now one of the resolutions consists of just one sentence but it is worth quoting as we pass on:

That Her Majesty the Queen be solicited to determine the rank and name of the federated provinces.

Sir John Macdonald knew very well what his ideas were as to the rank and also the name. He made it very clear in his speeches, but at all these conferences he refrained from disclosing them for fear of arousing the abuse and vituperation of the little Canadians who saw only subordination of our state in future. And so Sir John Macdonald most astutely refrained from inciting in any way a discussion which might precipitate violent debate. Some indication of the cleverness of that gentleman may be found in a letter which he wrote just

prior to going to London in which he indicated that it was important that no reverberations of the attitude to be taken at the conference should be spread throughout the dominion prior to the enactment of legislation. Once the act became law then everyone would agree to it and it would be all right.

It struck me at the time I read this that it was rather typically Tory. I do not think there is any doubt about the attitude; it certainly was not democratic. There was no indication that he wanted to submit the matter for consideration to the people who might not have agreed with him. He took that attitude for the purpose of preventing reverberations that would have destroyed his objective.

Now in the same volume, Pope, Confederation Documents, on page 115 there is given part of the debate which took place on Thursday, 13th December, 1866, on the resolutions of the Quebec conference. I quote the following:

Mr. McDougall: Why assert that the sovereign is commander in chief when it is part of the constitution of England?

Mr. Macdonald: I am not prepared to admit that. The sovereign is not absolutely the commander in chief of the militia of England except by proclamation.

Mr. McDougall: I am prepared to go to the same lengths as is constitutional in England.

Mr. Macdonald: Read it in connection with the third resolution.

Mr. Tupper: Then constitutional advice will be necessary.

Mr. Macdonald: Any powers given by statute to the sovereign must be exercised constitutionally.

Shortly after their arrival the first draft of the proposed pact was drawn up, and I would ask the House to note that Macdonald left blanks for the title of the new state. The first draft reads:

After the passing of this act—

These colonies which he had mentioned—

—shall for the purposes hereof, form and be one province or confederation, under the name of.

And then there is a blank. But in the second clause of the draft he repeats again the source of authority: the queen personally or her representatives. One gets some conception of the obstacles in Macdonald's way when one reads the report of the next draft, this time the draft of the Colonial Office of the 23rd January, 1867. This is reported at page 141 of Pope's volume. Note what the Colonial Office wanted; note what was in their mind as opposed to that which was in the mind of Macdonald and the delegation:

Whereas the union of the British North American colonies for purposes of government and legislation would be attended with great benefits to the colonies and be conducive to the interests of the United Kingdom:

Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present parliament assembled, and by the authority of the same as follows.

And then follows the word "preliminary". Clause 2 states:

It shall be lawful for Her Majesty, at any time not later than , by letters patent under the great seal of the United Kingdom, to declare the union of the colonies of Canada, Nova Scotia, and New Brunswick into one colony, with such name as Her Majesty thinks fit.

It was to be a grouping of colonies, and for what object? In reading over the documents of that period it is quite clear that the only objective in the minds of those short-sighted British statesmen or the Colonial Office employees was to concentrate the colonies into one government and so more easily to control and manage the then scattered governments of the colonies in North America. Clause 3 states:

The Governor General of British North America shall, within after receipt by him of the letters patent declaring the union, proclaim the same by publication thereof in the Government Gazette of Canada, and thereupon the union shall have full effect, and the said three colonies shall thenceforth form and be one colony.

We find that repeated in clauses 4, 5 and 7. The reference is entirely to the formation of one colony and not of a nation free and equal or anything else. We find the third draft of the third conference reported on page 159. Will hon. gentlemen please note that in the previous delegates draft, blanks had been left in the space where the title was to be, and it is fair to assume that in the interim Her Majesty was consulted. If she was consulted, then certainly she must have agreed to a title now used for the first time in the draft of the conference. Note this:

4. Within calendar months next after the passing of this act—

These various provinces of Canada—

—shall form and be one united dominion, under the name of the Kingdom of Canada, and thenceforth the said provinces shall constitute and be one kingdom under the name aforesaid, upon, from, and after the day so appointed as aforesaid.

Clause 7 adopted completely from Macdonald's Quebec resolution reads:

The executive government and authority is and shall be vested in the queen.

I therefore submit that in all probability and indeed one is justified in assuming that

in all certainty Her Majesty had been consulted in the interim and had given her consent. Otherwise, after Macdonald's public statements and after the resolutions that were carried, they would not have dared to include in this draft a title which he had already declared to be a matter for Her Majesty to decide. However, the obstacles raised in the Colonial Office were too great, and we find reported at page 212 the final bill in which Macdonald had had to admit that he had lost his great objective and had compromised. We will find out in a moment the reason why. Section 3 of the final draft reads:

It shall be lawful for the queen,..... to declare by proclamation that, on and after a day therein appointed—

And so on.

—the provinces of Canada, Nova Scotia and New Brunswick shall form and be one dominion under the name of Canada; and on and after that day those three provinces shall form and be one dominion under that name accordingly.

The compromise had been reached. It was not to be a colony but it was not to be a sovereign state. It was not to be a kingdom. Macdonald had sought the one; the Colonial Office had sought the other. A compromise had been reached and a dominion, a subordinate, inferior title and rank had been secured. If one seeks the reason why Macdonald capitulated, one can find it in Pope's volume at page 312 on which appears a letter written by Macdonald to Lord Knutsford repeating many years afterward his chagrin, his bitter disappointment at the weakness, lack of vision on the part of the Colonial Office people. He said:

A great opportunity was lost in 1867 when the dominion was formed out of the several provinces. This remarkable event in the history of the British Empire, passed almost without notice. The new confederation had at the time of the union about the same population as the thirteen colonies when they rebelled and formed a nation imbued with the bitterest feelings of hostility towards England—feelings which by the way exist—

As he said at that time:

—in as offensive a form now as they did on the day of the declaration of independence.

The declaration of all the British North American provinces that they desired as one dominion to remain a portion of the empire, showed what wide government and generous treatment would do, and should have marked an epoch in the history of England. This would probably have been the case had Lord Carnarvon, who, as colonial minister, had sat at the cradle of the new dominion, remained in office. His ill omened resignation was followed by the appointment of the late Duke of Buckingham, who had as his adviser the then Governor General Lord Monck—both good men certainly, but quite unable, from the constitution of their minds, to rise to the occasion. The union was treated by them—

And this was simply the reflection of the general attitude of the Colonial Office.

—as if the British North America Act were a private bill uniting two or three English parishes. Had a different course been pursued, for instance had united Canada been declared to be an auxiliary kingdom as it was in the Canadian draft of the bill, I feel sure almost that the Australian colonies would, ere this, have been applying to be placed in the same rank as the Kingdom of Canada.

Pray pardon this long discursive letter, which I have been tempted to bore you with, by the pleasant and cool breezes of the lower St. Lawrence—

And so on.

Yours faithfully,

John A. Macdonald.

But Macdonald wrote to that letter a postcript part of which was suppressed for some time by his biographer. I will read the part that was published in the first editions of his biography:

P.S. On reading the above over I see that it will convey the impression that the change of title from kingdom to dominion was caused by the Duke of Buckingham. This is not so. It was made at the instance of Lord Derby, then foreign minister, who feared the first name would wound the sensibilities of the Yankees.

So we failed to become a kingdom because Lord Derby feared to hurt the sensibilities of the Yankees. It may not be too late to adjust that position. I do not think there is any danger of hurting the sensibilities of our friends to the south. After living on their border a nation, in effect, if not in fact, for sixty years, surely we have shown them that we have much in common with them not only in tongue, but in aspirations, in many of our ideals, in our religious and social customs, and so forth. Surely the time has come when we must admit to ourselves that the power on the part of the American people to understand and sympathize with our aspirations is sufficiently equal to our power to understand and sympathize with theirs, and is there any one in this House who will condemn or attempt to condemn the aspirations of the republic to the south? I for one will not, nor do I think anyone here will. Therefore, why take it upon ourselves to asume, as Lord Derby unfortunately did, that we might be hurting their sensibilities if we assumed the position to which we are entitled by the findings of this conference which are now before us?

But that quotation is not complete. In Pope's volume I, 1894, the whole of it was not

given, but subsequently in a letter published in the Ottawa Citizen in July, 1917, Sir Joseph Pope wrote as follows:

Origin of Name

I agree with you in characterizing as erroneous the statement publicly made to the effect that at the Quebec conference in 1864 the name "Dominion" was selected for the new confederation. The only allusion at that conference to the subject of name that I am aware of, is the 71st resolution, which says:

"That Her Majesty the Queen be solicited to determine the rank and name of the federated provinces."

Nor is this surprising, for in 1864 the fathers were engaged in laying the foundations, not crowning the edifice.

"United provinces" was employed in 1866 merely as a temporary convenience while drafting the bill. In the margin of one of Sir John Macdonald's memoranda of the London conference there appears, written in his own hand, one under the other, probably in inverse order of his preference, the words:

Province
Dependency
Colony
Dominion
Vice Royalty
Kingdom.

Apropos of the rejection of the title of "Kingdom", I may say that when I published my Memoirs of Sir John Macdonald, out of consideration for the then Governor General, who was the son of the Lord Derby criticized, I omitted a portion of Sir John's remarks. I now quote the whole sentence which he wrote as a postscript to his letter to Lord Knutsford of 18th July, 1889:

"P.S.—On reading the above over, I see that it will convey the impression that the change of title from "Kingdom" to "Dominion" was caused by the Duke of Buckingham. This is not so. It was made at the instance of Lord Derby, then foreign minister, who feared the first name would wound the sensibilities of the Yankees. I mentioned this to Lord Beaconsfield at Hughenden in 1879, who replied: 'I was not aware of the circumstance, but it is so like Derby, a very good fellow, but one who lives in a region of perpetual funk'."

In none of the papers on this subject of confederation is there anything to indicate that it ever occurred to Sir John Macdonald that his desire to have the new confederation styled "The Kingdom of Canada" might one day be interpreted to mean a looking forward on his part to Canadian independence. He evidently considered that the term "Kingdom" does not necessarily connote independent sovereignty. The kingdoms of Scotland and Ireland might have occurred to his mind, just as, at a later period, one would naturally think of the kingdoms of Saxony, Wurtemburg, Bavaria, or, for that matter, the Empire of India.

There is another quotation, by the way, that may throw a little light on Lord Derby's capacity. It is taken from Lord Newton's book on Lord Lyon's, volume II, page 105:

There can be no possible doubt as to Lord Derby's sincerity; indeed, he was so constitutionally averse from an adventurous foreign policy that a year or two later, Lord Salisbury said of his colleague that he never could have brought himself to annex the Isle of Man.

That brings us down through the various stages to the final draft of the bill. May I recall to the House the fact that on the day this debate opened, on Tuesday last, we celebrated, or should have celebrated if we wanted to celebrate—I wonder if there was any reason to do so—the passing of that bill through the British House. I do not think any hon. gentleman referred to it. It is simply a matter of interest to be noted in passing, but it is nevertheless true that this bill to which I have just referred passed the British House of Commons on that day, and so we see why to-day it has been found necessary to go back to England to struggle again and again, as we have been struggling, to achieve that state which Sir John A. Macdonald himself and those associated with him in those days sought to establish at that time.

Some of the speakers who have taken part in this debate have explained the attitude of the Colonial Office at that time, and their attitude since, as well as the attitude of the officials of departments over there at the present time, sometimes in criticism, sometimes not. Of them I do not wish at the present moment to make any criticism. I wish simply to submit in passing that if there is anything I do regret about this report it is that it has not been made as clear as I would wish just exactly what status we have achieved by adding not only to the qualification of our status as given in the report, but as well the definition as to our title. Why worry? Some poor old ladies, you know, Mr. Speaker, are fearfully worried about the possible loss of the word "dominion". I can sympathize with their point of view, but I do not think they quite understand. Use makes us love many things. Why should we use the word "dominion"? Let us study the dictionaries in regard to this word. The Oxford dictionary defines "dominion" as:

1. The power or right of governing or controlling.

And it gives as an example of the use of the word this sentence from Sir T. Herbert's Travels, year 1634, page 29:

Those Moguls got the dominion of those countries.

And another example from Freeman, 1867, page 215:

Foreign dominion in any shape would soon become hateful.

Yes. The Oxford dictionary gives a second definition:

2 (b). The territory owned by or subject to a king or ruler or under a particular government or control.

Example: Dominion of Canada (colloquially, the Dominion) the title under which the former colonial provinces of Upper and Lower Canada, etc., in British North America were united into one government in 1867.

That is the example given in the Oxford dictionary. Webster defines dominion as:

That which is subject to sovereignty or control.

Specific examples:

(a) the estate or domain of a feudal lord.

(b) territory governed; the tract or country considered as subject; as the dominion of a king.

Then follows this statement:

Dominion has no technical meaning as used in the names Dominion of Canada, Dominion of New Zealand, etc., but the name is popularly taken as implying a higher political status than the term "colony".

That is all. So it is quite clear that the term "dominion" indicates or implies inferiority to sovereignty or nationhood.

Mr. JACOBS: In his readings did not the hon. gentleman come across a statement to the effect that the man who first suggested the name "dominion" for Canada was Sir Samuel Leonard Tilley? I think it was he who was responsible for it; I did not know that Lord Derby was. Sir Leonard Tilley came across a passage one day in the Psalms —my hon. friend will remember that he was a biblical scholar—reading "And He shall have dominion from sea to sea." He thought that that was a very appropriate name for this country, seeing that it was bordered by the two oceans, the Atlantic and the Pacific.

Mr. GARLAND (Bow River): Yes. I hope the hon. gentleman did not get the impression that I attributed the title "dominion" to Lord Derby, not by any means, nor can my remarks be taken as having done so. What I did suggest was that the attitude of Lord Derby and those associated with him at that time, their lack of vision, their incapacity to realize the possibilities of the new situation, were the factors that prevented the formation of a sovereign nation on this side of the Atlantic.

Mr. JACOBS: But accepting the interpretation of Sir Samuel Leonard Tilley, does not my hon. friend think that it was a dignified title to give to this country?

Mr. GARLAND (Bow River): The hon. member is welcome to his opinion thereon. I would welcome, without any particular criticism of the immediate title, the title to which we are entitled, and that is all.

THE ROYAL ASSENT

SUSPENSION OF SITTING

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. SPEAKER: His Honour, the Deputy of His Excellency the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the House went up to the Senate.

And having returned

Mr. SPEAKER informed the House that the Deputy of His Excellency the Governor General had been pleased to give in His Majesty's name the royal assent to the following bills:

An Act for the relief of Alice Victoria McGibbon.

An Act for the relief of John Jones.

An Act for the relief of Samuel Paveling.

An Act for the relief of Benjamin Rapp.

An Act for the relief of Bernard Thomas Graham.

An Act for the relief of Robert Edward Greig.

An Act for the relief of Daise Hawkey.

An Act for the relief of Olive Mary Mead.

An Act for the relief of Alice Elizabeth Blakely.

An Act for the relief of Ethel Maud Hargraft.

An Act for the relief of Frédéric Vinet.

An Act for the relief of Gwendolen McLachlin.

An Act for the relief of Jessie Evis.

An Act for the relief of Max Gertler.

An Act for the relief of Florence May Hicks.

An Act for the relief of Ruth May Harrington.

An Act for the relief of Edith Maude Bull.

An Act for the relief of Joseph Bernard Hoodless.

An Act for the relief of Edward Barker.

An Act for the relief of Joan Henderson.

An Act for the relief of Vina Kennedy (otherwise known as Vina Dorothy Kennedy).

An Act for the relief of Aimée Glenholme Young.

An Act for the relief of Alberta Lutz.

An Act for the relief of George Frederick Adams.

An Act for the relief of Edward Saville.

An Act for the relief of Robert Fisher.

An Act for the relief of Dorothy Terry.

An Act for the relief of Lillie May Brown Nichols.

An Act for the relief of Hazel Pearle Clarke Pearcy.

An Act for the relief of Edith Swartz.

An Act for the relief of James Gibb Erskine.

An Act for the relief of Ernest Johnson.

An Act for the relief of Maxime Demers.

An Act for the relief of Ethel Clementina Craig-Williams.

An Act for the relief of Ida Lula Dupuis Murchison.

An Act for the relief of Gladys Andrea Boyle.

An Act for the relief of Leslie Ellis Noble.

An Act to provide for special control by the Superintendent General of Indian Affairs of certain islands in the St. Lawrence river being part of the St. Regis Indian reservation.

An Act to incorporate The Detroit and Windsor Subway Company.

An Act to incorporate Columbia Life Assurance Company.

An Act respecting The Quebec, Montreal and Southern Railway Company.

An Act respecting the Alberta Railway and Irrigation Company.

An Act respecting the Canadian Pacific Railway Company.

An Act respecting The Manitoba and North Western Railway Company of Canada.

An Act respecting The Department of National Revenue.

An Act respecting the Canadian National Railways, and to provide for the refunding of certain maturing financial obligations.

An Act to amend The Special War Revenue Act, 1915.

An Act to amend The Income War Tax Act, 1917.

An Act respecting the Ottawa Electric Company.

An Act respecting the Ottawa Gas Company.

An Act respecting La Compagnie du chemin de fer de Colonisation du Nord.

An Act respecting The Essex Terminal Railway Company.

An Act respecting The Canadian Transit Company.

An Act respecting Old Age Pensions.

An Act to repeal The War Charities Act, 1917.

An Act to amend the Indian Act.

An Act to amend The Canada Evidence Act as respects Bank Books and Records.

An Act for the relief of Amy Humphrey Lowe.

An Act for the relief of Erik Herman Delling.

An Act for the relief of Samuel Stanley McNeely.

An Act for the relief of Edna May Stevens.

An Act for the relief of Beatrice Maude Cammell.

An Act for the relief of Stanley Moorhouse.

An Act for the relief of Blanche Evelyn Parkinson.

An Act for the relief of Lillian Franklin Boddy.

An Act for the relief of Ninna Louise Bryant.

An Act for the relief of John Thomas Fray.

An Act for the relief of Cornelia Mosca Cristoforetti.

An Act for the relief of Florence Emaline Hind.

An Act for the relief of Dorothy Helen Elliott.

An Act for the relief of Myrtle Blanche Weeks.

An Act for the relief of Dorothy Olinda Tew Phillips Lawson.

An Act for the relief of Nelson Douglas Langfield.

An Act for the relief of Susanah Ivy Y. Cave.

[Mr. Speaker.]

An Act for the relief of James Arthur McNish.

An Act for the relief of Elizabeth Maud Maitland.

An Act for the relief of Agnes Seeds.

An Act for the relief of James Sharkey.

An Act for the relief of Lawrence Raymond Sinclair, otherwise known as Lawrence Reginald Sinclair.

An Act for the relief of Ruby Pearl Northam.

An Act for the relief of Leila Beecher Smith Kerman.

An Act respecting the Construction of Canandian National Railway Lines between St. Félicien and Mistassini River and between Hebertville and Savanne Falls, both in the Province of Quebec.

An Act respecting the Construction of a Canadian National Railway Line between Pilkington and Niagara Junction in the Province of Ontario.

An Act respecting the Construction of a Canadian National Railway Line between Grand Mère and East Burrills, in the Province of Quebec.

An Act respecting the Construction of a Canadian National Railway Line between Weyburn and Radville, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line from Willowbrook North-Westerly, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line between Sturgis and Peesane, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line from Peesane Northerly, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line from near Shellbrook Westerly, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line being an extension of the Turtleford South-Easterly Branch to a point between Hafford and Richard, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line between Kindersley and Glidden, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line from near Spruce Lake Westerly, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line from Hudson Bay Junction Southerly, in the Province of Saskatchewan.

An Act respecting the Construction of a Canadian National Railway Line from Elk Point Easterly, in the Province of Alberta.

An Act respecting the Construction of a Canadian National Railway Line between Ashmont and Bonnyville, in the Province of Alberta.

An Act respecting the Construction of a Canadian National Railway Line between Bretona and Clover Bar, in the Province of Alberta.

An Act to amend the Canadian National Railways Act, 1919.

An Act to amend the Judges Act.

An Act to amend the Exchequer Court Act.

An Act to amend the Supreme Court Act.
An Act respecting Dominion Electric Protection Company.
An Act respecting the Canadian National Steamships and to provide for the establishment of West Indies Service.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Hon. J. W. EDWARDS (Frontenac-Addington): Mr. Speaker, in the summary of proceedings of the Imperial conference held last year I find two or three sentences in regard to the British Empire which attract my attention. At page 12 of the report I find the following:

> The British Empire is not founded upon negations. It depends essentially, if not formally, on positive ideals. Free institutions are its life blood. Free coöperation is its instrument. Peace, security and progress are among its objects.

A little above that on the same page I find the following:

> "Its widely scattered parts have very different characteristics, very different histories, and are at very different stages of evolution; while considered as a whole, it defies classification and bears no real resemblance to any other political organization which now exists or has ever yet been tried."

I subscribe to those statements and I think we would do well to appreciate the fact that we cannot compare the British Empire to any other empire which has ever existed; it has been established on an entirely different basis from anything else in the history of the world.

Whatever was the thought back of the holding of the first conference I think every person will agree that these talks, which started in a very small way, grew in proportion as the years went on and that the last few of those conferences held in more recent years were of very great importance. I believe the thought back of these conferences was that it would be advisable for the various parts of our widely scattered empire to send representatives to confer and talk over matters of general interest to all, and out of those conferences has grown, I believe, because of the increased knowledge of each part thereby obtained by all the parts, a stronger bond of sympathy and a more definite and better understanding.

Sir Robert Borden, Sir Wilfrid Laurier and other statesmen of this country who have at times attended imperial conferences came back very modestly, and very modestly reported to the people of Canada what had taken place. Last year the Prime Minister (Mr. Mackenzie King) and the Minister of Justice (Mr. Lapointe) crossed the ocean to attend the conference. They came back from the conference telling the people of Canada that they had obtained from those tyrants overseas,—they did not use those words but they have been used by one hon. member in speaking in this House—that they had wrung from those tyrants in the mother country a new charter of liberty, and that a new Magna Charta had been obtained through their wonderful efforts. In the speech from the throne this year a reference was made to the report which would be placed before this House, and in the debate on the address a very definite statement was made by the Prime Minister that the report would be placed before parliament and that parliament would be asked to give its sanction and approval to the report. For some reason or other that promise has not been carried out. It seems to me it is becoming a habit with this government to make promises in the speech from the throne which are later disregarded. Last year in the speech from the throne definite promises were made which were not carried out and no attempt was made to carry them out. This year we have had the same thing with respect to this very important matter of the Imperial conference. I do not know who is the dictator in regard to this matter, but we do know that the government have been dictated to in regard to other matters; for instance, they were dictated to by Sir Clifford Sifton in regard to the Montreal, Ottawa and Georgian Bay canal. Sifton was the dictator, and Premier King was the dictatee. They were dictated to last year by the hon. member for Labelle (Mr Bourassa) in regard to a return to Alberta of its natural resources. In that case the member for Labelle was the dictator, and the Prime Minister was the dictatee. And now, notwithstanding the definite assurance of the Prime Minister that the House will be asked by resolution to approve of what had taken place at the conference, some person has dictated again, and the definite promise made is not to be carried out. In connection with this matter I would call your attention to the fact that on the 13th of December a question was put by the leader of the opposition to the Minister of Justice in regard to this report. Mr. Guthrie inquired:

> Is he—

That is the Minister of Justice.

> —willing to take the risk of the enactment into law of the proposal in the report?

To which the Minister of Justice replied:

> Surely.

Then the leader of the opposition said:

Perhaps in a few days the minister may hear from Quebec, and the report may yet have to be amended.

Well, apparently the minister did hear from Quebec, or from some place else, because the promise that the matter would be dealt with in a definite manner by this House has been abandoned by the government.

The hon. member for Bow River (Mr. Garland) this afternoon talked learnedly about preconfederation days and as to certain matters that took place at that time. His references were very interesting, although I may say, without being discourteous, that I fail to see just what bearing they have upon the matter before us. What was, after all, the basis of union in 1867? Subject to the special provisions affecting Ontario and Quebec, and to which they had voluntarily agreed, the provinces were to have equality of status and rights, possession of their natural resources, and complete control of their educational and other local affairs. I think I have stated the situation correctly. Having in view the very specific clauses of the British North America Act in regard to each province having control of its natural resources, I think I have stated the matter correctly in saying that they were to have autonomy or equality of status. They should have received those resources long ago.

In that connection I want to refer you to remarks made by the Prime Minister, (Mr. Mackenzie King) and also by the Minister of Justice (Mr. Lapointe) at a large meeting held in Toronto in the month of February last. Referring to what he calls "the first fruits of a declaration of equality of status" the Prime Minister is reported in the press as saying:

Who is there in the British Empire to-day who is prepared openly to advocate a doctrine of inferiority or subordination?

Well, I would answer that question, in view of what has transpired, by saying that he and his government are the ones who have done that very thing in the matter of the transfer to the western provinces of their natural resources. Referring to Great Britain and the dominions, the Prime Minister used these words:

It was laid down that each was an autonomous community within the British Empire; that in any aspect of their domestic or external affairs they were in no way subordinate one to another, that all were united by a common allegiance to the crown, and that all were freely associated as members of the British commonwealth of nations. In these particulars, all of which relate themselves to status, there is not only similarity but equality. In other words the position and mutual relation of Great Britain and the dominions was defined as one of equality of status.

Having regard to the action of the government in reference to the transfer to the western provinces of their natural resources may I ask your attention while I paraphrase that statement of the Prime Minister? I paraphrase it in this way: "It is laid down that each province is an autonomous community within the Dominion; that in any aspect of their domestic affairs they are in no way subordinate one to another; that all are united by a common allegiance to our common country and all are freely associated as units of confederation. In these particulars all of which relate themselves to status there is similarity and there should be, although there is not, equality."

On the same occasion the Minister of Justice described the main achievement of the conference as being "a definite, clear and official adherence to the doctrine of equality of status," declaring that the men of his race were in the forefront of the battle for responsible government. He added:

They believe in self-government, freedom and national status within the British Empire and under the Brtish throne, and that they do not believe a condition of subordination and colonial inferiority essential to the preservation of their sacred rights.

He also said:

Autonomy means self-government in all matters. I even suggest that distinguished visitors would perhaps be better advised if they refrained from offering so much advice to the people of Canada, as to how they should deal with matters which are exclusively their own business.

May I also paraphrase that statement in reference to the attitude and action of the government regarding the transfer to the west of their natural resources? I paraphrase it in this way: "The western provinces believe in self-government, freedom and provincial status within confederation and under the constitution, and they do not believe a condition of subordination and provincial inferiority essential to the preservation of their sacred provincial rights."

What does autonomy mean? Will any person, giving a definition of the word "autonomy", which means self-government, say that these western provinces have self-government? Have we nine provinces in Canada to-day within the meaning of the word "province", as defined by the British North America Act? We have six provinces in Canada to-day, and three legislative units, —Manitoba, Saskatchewan and Alberta, which are not provinces to-day within the meaning,

within the specific words of the British North America Act, and in their definition of what a province is. Talk about imperialism in this country as has been talked by some members in this House! We have had exercised on the floor of this House, and very recently at that, an imperialism in so far as the provinces are concerned, in depriving those provinces of their legitimate rights. The Dominion as a trustee for the property of those provinces has played the part of a political bandit, and has stolen or taken to itself what belongs rightfully to those provinces. So, when some hon. members speak about imperialism, I would ask them to estimate whether or not we have not a form of imperialism exercised by the federal parlament in its attitude to the undoubted rights of the provinces.

Some excellent speeches have been made during the course of this debate. One of the most attractive speakers in this House is unquestionably the hon. member for Labelle (Mr. Bourassa). When he speaks in parliament he always attracts attention. So does the man who is haranguing a crowd outside of a circus tent attract attention, not so much because of what he says as because of the spectacular manner in which he says it. The hon. member for Labelle made in this House one of his characteristic speeches in his characteristic manner, in his characteristically offensive manner. He sang his hymn of hate, and in doing so he ran the whole length of the scale from pianissimo to fortissimo. He reminds me of a car on a scenic railway which rushes down the incline with a roar as if to gather strength for the climb ahead, pauses at the summit, as it were for breath, and then repeats the performance. So the hon. member for Labelle, carried along on the flood tide of his own verbosity, punctuated his utterances with blasts of rodomontade and thrasonical bombast and bedecked those utterances with facial contortions and acrobatic gesticulations.

Mr. FAFARD: Is it in order, Mr. Speaker, to compare an hon. member with a scenic railway?

Mr. EDWARDS (Frontenac): Well I will apologize to the railway. I am sure that the hon. member for Labelle will take note of the interruption of my hon. friend. I know that he and many more of the members who sit around him recognize the power that the hon. member for Labelle is on the platform, the influence that he can exert there either for their election or against it, and very often, because they are afraid of him, they pay to him obeisance which down in their hearts they do not feel.

An hon. MEMBER: He is failing.

Mr. EDWARDS (Frontenac): Yes, he is failing. The ravages of age are coming on him as on others. Even the smile which for years he has cultivated so assiduously as a political asset is now only a grisly skeleton of what it was in former days. That smile has reached a point where it can no longer perform its use to him. His affected urbanity cannot conceal the bitterness which is seething within.

Mr. FAFARD: What has that to do with the Imperial conference?

Mr. EDWARDS (Frontenac): Probably if my hon. friend waits a while he may find out. I am giving him at the start something that will not strain his gray matter too much.

Mr. FAFARD: It is a scenic railway speech.

Mr. EDWARDS (Frontenac): I told my hon. friend I am very sure that he has already qualified himself entirely in the eyes of the hon. member for Labelle. I am sure the hon. member for Labelle will not put up any candidate against him. What I or anyone else may think of the speech of the hon. member for Labelle, one thing at least is certain. The hon. member for Labelle will always have one devout worshipper at his shrine and that is the hon. member for Labelle. It is certain that he is thoroughly dissatisfied with everything and every other person on earth. It is just as certain that he is completely satisfied with himself.

The hon. member has made spectacular pilgrimages from one end of this country to the other advertising himself as an apostle of peace, a peace founded on discord which he himself assiduously creates. He has advertised himself as an apostle of Canadian unity, a Canadian unity whose foundations rest, through the efforts of the hon. member for Labelle, on separatism. What was the object of the hon. member for Labelle in his venomous statement—because it was venomous—some time ago when he insinuated that Canadian nickel had been given to Germany for armament purposes, with the knowledge of the imminence of war?

Occasionally the hon. member for Labelle pays a tribute to British institutions, but he invariably digs into the dust heaps of antiquity for something to discredit any word of praise which might fall from his lips in regard to British institutions. He has persistently misrepresented everything British with the view of lessening respect in Canada for everything British. In regard to British institutions, in favour of which, as I say, he

occasionally has a word to say, what was his attitude when they were in danger of extinction during the time of the war? On what did he feed those who read his articles in the press or who listened to his utterances? Did he seek to inspire patriotism to meet the crisis that we faced at that time? Am I not absolutely correct in saying that on every occasion when the empire has been menaced, the hon. member for Labelle has been found with voice and pen on the side of the enemies of the empire? When was he ever loyal to any party or any leader? His speeches and writings contain the bitterest references to Laurier that were ever uttered or written by any man in this country. When has he ever done anything to promote peace, harmony and unity in this country? Has he ever been satisfied with any party, with any leader?

Some hon. MEMBERS: No.

Mr. EDWARDS (Frontenac): Has he ever been satisfied with anything or anybody except himself?

Mr. BOURASSA: And the hon. member for Frontenac-Addington (Mr. Edwards): I am quite satisfied with him.

Mr. EDWARDS (Frontenac): As I said a while ago, and the hon. gentleman is giving a demonstration of it now, his affected urbanity, that skeleton of a smile, that grisly grin cannot hide the seething tempest within. But I did not expect the hon. gentleman would come in and demonstrate my words as he is doing.

What was back of his insinuation—this gentleman who talks of Canadian national unity—that Great Britain was responsible for the war? What was back of his statement that not an English soldier would have crossed the channel on behalf of either Belgium or France except for the basest of motives? What was back of his statement that Great Britain was a stranger to international loyalty? What was back of his statement that Canadian leaders had grotesquely misrepresented the real causes of the war and the real situation as between France and England? Why did he deprecate Canada's gifts of flour and cheese and other foodstuffs during the war? Why did he refer to Canada as giving those things to very rich England, while the Belgians were starving and Canadians were going hungry? What was back of all that? What was his purpose? I repeat that the hon. gentleman on every occasion when our empire has been threatened, on every occasion when British institutions have been menaced, has been found giving by voice and pen such aid and comfort and encouragement as he could to the enemies of our empire.

Where was the hon. member for Labelle at the time of the war? I would like to quote to the House here tonight in his presence, a statement from a compatriot of his, in a newspaper published in the province of Quebec, a paper that he does not agree with, of course; that goes without saying, because he does not agree with anything unless he writes it himself. But listen to what La Patrie says in its issue of October 10, 1918:

> It will be remembered that on the 2nd of August, 1914, during the very first days of the war, Mr. Henri Bourassa, director of Le Devoir was in Cologne. What could he be doing in Germany at that particular moment—

Mr. BOURASSA: On what date?

Mr. EDWARDS (Frontenac): The 2nd of August.

Mr. BOURASSA: I was in Paris that day.

Mr. EDWARDS (Frontenac): I guess you did not get to Paris till a little later.

Mr. BOURASSA: I was in Paris on the 31st of July.

Mr. EDWARDS (Frontenac): At all events I am giving my authority for this statement, and I think I am right in saying that this statement was not contradicted in the columns of the hon. gentleman's paper.

Mr. BOURASSA: I never care to contradict things. I do not contradict the hon. gentleman. Let him go. I am simply saying it is a falsehood; that is all.

Mr. EDWARDS (Frontenac): May I remark that the mere fact of the hon. member for Labelle calling a thing a falsehood does not make it a falsehood.

Mr. BOURASSA: But the fact that the hon. member for Frontenac-Addington says something does not make it a verity.

Mr. EDWARDS (Frontenac): I am going to say some more things, and may I say with all due respect to this Napoleon of journalism and of everything else connected with public affairs, the hon. member for Labelle, I will accept, and I believe most of the people of this country will accept the statement of La Patrie before they will that of the hon. member for Labelle. The statement continues:

> What could he be doing in Germany at that particular moment when the central powers were busy launching throughout the world a host of secret agents thoroughly equipped with instructions for propaganda and a most efficient spying service? We do not know. Mr. Bourassa, in any event, displayed remarkable agita-

tion at that time, when he hastily traversed France and the Atlantic to re-enter Canada—glad indeed to avail himself of the protection of the British flag, against which he has been raging since then. He arrived in Montreal August 21st.

I do not suppose that even the hon. member for Labelle will have the hardihood to say that he has not raged both before and ever since against the British flag and everything British.

Now we will take another date, October 12th, where in the same paper I find this:

On July 30, 1914, when hostilities had already been declared between Austria and Serbia, the general conflagration appeared inevitable to all; Russia and France were rapidly mobilizing their armies and Germany's forces were already in line. Mr. Henri Bourassa was at Colmar in Alsace, therefore on German territory. Colmar is twenty-five or thirty miles from the French frontier, where Mr. Bourassa, of French origin and a British subject, as he so loudly proclaimed a few days later, could have passed without any trouble had he so desired. But Mr. Bourassa did not turn his steps towards the French frontier. He left for Strasbourg, where he was July 31st. Strasbourg, one of Germany's strongest bases along the western frontier, a stronghold maintained to defend, when occasion arose, the provinces taken from France in 1871, was evidently on that date under military authority. Is it not strange that Mr. Bourassa should head straight for the enemy's citadel—as declaration of war against England was imminent at the time—instead of for France? Mr. Bourassa, however, elected to go to Strasbourg, and to our knowledge, he was not molested by the Prussian soldiery, although to the latter every traveler had to show a clean slate, and women were undressed under the pretence that this was necessary as a protection against spies.

I read also this:

If the Boches let Mr. Bourassa through so easily, why did they detain Doctor Beland so long—a Frenchman and a British subject, just like the Nationalist boss?

That is, in that respect, but not in any other. Why did they keep Doctor Beland? They kept Doctor Beland because they believed he was a real British subject, and they thought it would be better for Germany to keep him in prison than to let him go back to Canada to use his influence, as he would have done had he been here, in helping Canada to do her part in the war. You may infer, then, why they let Mr. Bourassa go. Whether or not the Germans knew what the hon. member for Labelle would do when he got back to Canada, I do not know, of course; but the fact is there, that while all that western frontier was bristling with German bayonets and all the preparations for war, the one Canadian, Doctor Beland, was shut up in a prison, and the other one was allowed to go freely wherever he liked, travelling up and down, wending his way amongst his friends the Huns, going where he chose without let or hindrance, and then he comes back to Canada, and as soon as he gets back here, and all the time during the war that he was in Canada—he will not deny this; he cannot deny it—he used his voice and pen from the time he arrived in Canada until the war was over, and since, in doing all he could to give encouragement to our enemies, the Germans, during the great crisis of the war, doing all he could to break down respect for Britain and British institutions, discouraging as far as he could the Canadian boys from doing their duty in that war.

The hon. member for Labelle does not care very much for what I say, I know. In that respect may I tell him that I care just as little what he says. The hon. member for Labelle enjoyed himself the other night in making his speech. He enjoyed himself, as he always does, in attacking everything British and throwing his slurs and sneers at everything British. But he did not stop at that. He made some reference to a divorce or marriage case in the province of Quebec. I might ask the hon. gentleman opposite what that has to do with the Imperial conference? He was perfectly willing to listen to talk about the Tremblay and Depatie marriage case. He was not concerned about the Imperial conference then. Not at all. But since the hon. member referred to that case—and of course he misrepresented the facts in referring to it—may I be permitted to say a word in that regard? He found fault with the Orange order because he said the lodges of that order collected money to carry this case to the Privy Council. Yes, we did. It cost us thousands of dollars. May I tell some hon. members opposite—it would be no use for me to tell it to the hon. member for Labelle—but I still think there is an element of fair play in most of the hon. members opposite—that members of the Orange order are obligated just as much to defend a Roman Catholic in his or her constitutional rights as they are to defend a Protestant. Well, that is amusing, of course. I am not surprised at the hon. member for Labelle treating that as something amusing. He said the fight that this woman was putting up to defend her rights and her honour was a funny thing. Those are the words he used—a very funny thing. He also made the woman a party to the appeal to the canonical tribunal, which was not true. She was not a party to it. The poor woman had not the money to fight for her rights and honour. This may be very amusing to my hon. friend from Labelle, but

it was not amusing to the order of which I have the honour to be the head. We did not see anything funny in a woman fighting for rights, fighting for her honour, and fighting to prevent people branding her as an adultress and her children as bastards. It was amusing to the hon. member for Labelle, but not to us. We did raise money and sent it over, in order to assist in obtaining justice for that woman who had not the means herself to put up for the defence of her honour. Yes, we have used our money for other purposes too. May I tell some hon. members on the other side of the chamber that our Orange lodges were not only recruiting centres for enlisting men to go to the war, but hundreds of them were collecting agencies and collected money and material which were sent overseas for the relief of the Roman Catholic refugees who were driven out of Belgium by the friends of the hon. member for Labelle. They had no claim upon us from the standpoint of creed, but they had a claim upon us and the order to which I belong responded nobly. I should like to tell my hon. friends further in regard to that order to which he has referred that we are to-day maintaining orphanages in nearly all of the provinces, taking care of, clothing and bringing up as good citizens children who have been deprived of the care and protection of their natural protectors. I desire to say also—and I say it with pride—that the order which only elicits a sneer from the hon. member for Labelle, enlisted some forty or fifty thousand soldiers and sent them overseas. Thousands of them are sleeping in soldiers' graves in Flanders to-day. While my hon. friend during his lifetime, or the greater part of it, has devoted his talents and his energies in trying to lessen respect for British institutions and for everything British, I want to tell him and hon. members of this House that the Orange order in the hundred years of its existence in Canada has, in every crisis of our country's history, proved itself to be a hundred per cent dependably British. An institution which has done that, which has played the game as this order has done, is a real asset to this or any other country, and I do not propose to sit here and allow the hon. member for Labelle or any other member to cast any slurs or sneers at that institution.

The hon. member brought my name into his speech and asked, "does the leader of the opposition, or any other defender of minority rights, beginning with the hon. member for Frontenac-Addington, claim that the King of England can send a regiment from England to force Catholic schools upon the province of Manitoba?" It was a very silly question to ask of any member of the House. Why, certainly not, but allow me to state in that connection that the hon. member for Frontenac-Addington does stand for and is willing and ready at all times to defend, minority rights and majority rights as well. There is such a thing as the rights of majorities in this country, and there is such a thing as responsibilities of minorities as well as the responsibility of majorities, and so far as his reference to Catholic schools is concerned, I will say—and again my attitude is in strong contrast with his—that so far as the schools are concerned—and I speak not merely for myself but for the order of which I am the head—let any province of the west establish as many kinds of schools as they want. That is their business. It is not my business, neither is it the business of the hon. member for Labelle. If the province of Alberta or the province of Saskatchewan see fit to establish separate schools, I repeat that is their business and any attempt on the part of this parliament to prevent Saskatchewan or Alberta or any other province from establishing separate schools will be resented, and I will be among the first on my feet to put up a fight against that attempt. That is the position I take in regard to these schools. I say the provinces are entitled to handle those matters themselves. New Brunswick, Nova Scotia, Ontario, Quebec have that right. How long would we in the province of Ontario submit to this parliament attempting to pass legislation telling us what schools we should have? How long would the province of Quebec submit to this parliament undertaking to dictate to them the kind of educational system they should have? The first to protest against such interference would be the hon. member for Labelle. Yet that is what he wants to have imposed on the provinces of the west. He talks about imperialism! When he gets on that subject he fairly froths at the mouth because of his hatred of anything imperialistic, of anything British. He cannot talk on that subject for five minutes without having a brainstorm—at least I have never heard him without noticing that peculiar result. Imperialism! Always respresenting that we are being throttled and shackled by some power in England. That is what he has tried to make the people of Canada believe. And yet this gentleman who is so deadly opposed to anything along imperialistic lines, to any interference from the outside, does not scruple to adopt the imperialistic principle of putting shackles on the free citizens of the provinces of the west.

I am not very greatly concerned about changes in the constitution. It does not seem to me to be reasonable to suppose that a constitution laid down sixty years ago, with the very best intention in the light that they had at that time, with such vision of the future as they possessed at that time, and which was no doubt the right thing at that time,—I say it does not appear to me to be logical that that constitution should be continued without changing it one jot or tittle in any respect in order that it may apply to the changed conditions of this day or some future time. I believe that some changes should be made. But I want to say this, Mr. Speaker. If I understand correctly this report and some of the speeches that have been made in this House, and if the intention is to sever our connection with the mother country and allow the Dominion to change its constitution at will, I warn hon. members that when all restraints are taken off there will be an agitation throughout this country that will stir it as it has never been stirred since confederation. And that agitation will not be confined to any one province; it will be just as marked in the west as in some parts of the east.

As to minorities, I have less reason to be concerned than have hon. gentlemen sitting opposite. Why? I would ask them to take the official figures of the census of 1911 and of 1921, when they will find that the percentage of the total population of French origin in 1911 was 28.52, and in 1921 27.91. I would remind them that in the province of Ontario in those ten years the population of British origin increased by 1.4 per cent, those of French origin by .4 per cent; in the province of Quebec the population of British origin decreased by .6 per cent, those of French origin by 1.2 per cent; in New Brunswick the population of British origin decreased by .1 per cent, while those of French origin increased by 6.2 per cent; in Nova Scotia the population of British origin increased by .9 per cent, those of French origin by .3 per cent; in Prince Edward Island the population of British origin increased by 1.1 per cent while those of French origin decreased by .5 per cent; in Manitoba the population of British origin decreased by .9 per cent, those of French origin by .1 per cent; in Saskatchewan the population of British origin increased by 1.9 per cent, those of French origin by .8 per cent; in Alberta the population of British origin increased by 8.3 per cent, while those of French origin neither increased nor decreased in percentage; in British Columbia the population of British origin increased 9.5 per cent, while those of French origin decreased .1 per cent. In other words, in four provinces there has been a decrease in the population of French origin, in four provinces an increase, and in one province neither an increase nor a decrease; whereas in regard to the population of British origin, in six provinces there has been an increase in percentage and in three a decrease. So having regard to the fact that in the Dominion as a whole in 1901 the population of French origin represented 30.7 per cent, in 1911 28.52 per cent and in 1921 27.91 per cent—a steady decrease—my hon. friends opposite if they have any concern for minorities, should be more concerned than I. I believe that with a proper system of immigration the percentage of our population of British origin will be very greatly increased as compared with those of French origin in the next ten or twenty years.

I repeat, Sir, the protection of minorities should not wholly engage our attention; we should also concern ourselves with the protection of majorities in this country. In other words, while we have the privilege of sitting in this House we should do our part to safeguard the future of the Dominion in every respect so far as the rights of all classes of the people are concerned, and we are doing less than our duty if we do not do all in our power to safeguard those rights.

Now, Mr. Speaker, I could give to this House many more arresting facts regarding the career of the hon. member for Labelle, but he is a never-failing source of interest himself. I think it would be a very sad thing indeed for this country if we hastily decided to do away with the right of appeal to the Privy Council. Just so long as we have men in this country like the hon. member for Labelle, who shows a disposition to ride roughshod over the rights of the people as he did with the people of the west; so long as we have men of that kind exercising their influence along that line, I say we should stick to our safeguard and retain the right of appeal to an independent tribunal, the Privy Council.

Mr. J. T. THORSON (Winnipeg South Centre): Mr. Speaker, I do not intend to take as much of the time of the House on this debate as previous speakers have taken. The essence of the report made by the committee on inter-imperial relations to the Imperial conference, which was unanimously adopted by the conference, is found on page 12 of the

report. I refer to the definition of the relationship which exists or is alleged to exist between Great Britain and the dominions:

> They are autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the crown, and freely associated as members of the British commonwealth of nations.

I propose to confine myself to a discussion of this definition in so far as it deals with the autonomy of Canada in her domestic affairs. Within that sphere I feel that a great forward step has been taken, that this declaration of equality is perhaps the most important constitutional pronouncement made since confederation, and that it is pregnant with great possibilities for Canadian national development.

There has been much criticism of this definition, much debate as to its meaning and much misunderstanding of its implications. There are those who say on the one hand that it marks the end of the British Empire as we have known it, or at any rate the commencement of a new British Empire essentially and fundamentally different from the old. On the other hand there are those who say that no change whatever has resulted, that the definition is merely a statement of the constitutional status which has already been acquired in practice although not hitherto universally recognized. Possibly there is a great deal of truth in both these statements, yet in my opinion neither is strictly accurate. With all due respect to those who have expressed these various views as to the work of the Imperial conference and the results achieved, I prefer to regard this definition not so much a statement of existing fact as a declaration of what ought to be; not so much a declaration of equality as a promise of equality. Everyone must remember that until legal effect is given to that declaration we do not legally possess that equality.

In order that we may arrive at an appreciation of this definition I think it essential that we attempt to analyse the actual status of Canada both from the strictly legal point of view and from the point of view of constitutional development and practice. By so doing we may perhaps be able to view the definition in the light of existing facts and so better understand its implications and the consequences resulting therefrom. I shall endeavour to be as brief as possible. If I should present for the consideration of this House a point of view which is to a large extent that of a lawyer, I crave the indulgence of the House. I shall attempt to put the legal position as baldly and as briefly as possible.

The Dominion of Canada owes its existence as a legal entity to the British North America Act, a statute passed by the parliament of Great Britain. That statute is the charter of Canada, beyond which Canadian legislatures, whether they be federal or provincial, cannot validly go. In law the parliament of Canada is subordinate and inferior to the parliament of Great Britain; as a legal proposition that is not open to dispute and we must remember that in law that inferiority exists. This legislative inferiority of the parliament of Canada is of two kinds; first, that which results naturally from the fact that the parliament of Canada was created by the parliament of Great Britain, is bound by the terms of the charter which created it and is therefore inherently dependent. In the second place there is that inferiority which results from the fact that the parliament of Canada is still in law subject to the paramount legislative authority of the parliament of Great Britain which alone has power to change the terms of the British North America Act and, either by an amendment to that act or by the enactment of some other act, to enlarge or abridge the measure of self-government which we now enjoy.

As to the first heading of inferiority, that which is inherent in the parliament of Canada and in the Dominion of Canada as a dependency of the parliament of Great Britain which created it, it has been held, for example, by the Privy Council that it does not lie within the legislative competence of a self-governing dominion such as Canada to pass legislation affixing penal consequences in Canada to acts committed outside of Canada. In that view of the law it would not be possible for Canada to punish persons for offences such as murder, arson, theft or bigamy committed outside of Canada. It has been argued that the powers of self-government possessed by Canada must be confined to matters or things within the territorial limits of Canada; in other words, that Canada has no power to pass legislation having an extra-territorial operation or effect. No such limitation exists on the powers of the parliament of Great Britain, because the British parliament is sovereign, and the Canadian parliament is not. On two occasions the parliament of Canada has passed resolutions on this subject for an address to the British parliament asking for an amendment to the British North America Act to remove this anomaly, once in 1920 and again in 1924,

but although both houses of parliament passed these resolutions unanimously on both occasions, no action has yet been taken by the British parliament.

The second aspect of subordination lies in the fact that Canada is still subject, notwithstanding the terms of the British North America Act, to the legislative authority of the parliament of Great Britain, the only sovereign legislature in the British Empire. It is quite true that a very large measure of autonomy and self-government was conferred upon Canada by the British North America Act, but that self-government is subject to limitation and supervision by the British North America Act itself, and by other acts of the parliament of Great Britain extending to Canada.

The British North America Act set up an elaborate system of checks and balances. Certain spheres of jurisdiction were assigned to the provinces, and in order that there should be a check upon the powers of the provinces the Dominion government was given the right to disallow provincial legislation if it thought it necessary to do so in the interests of Canada. The remainder of the legislative field was assigned to the Dominion parliament, and similar checks on Dominion legislation were provided by sections 55, 56 and 57 of the British North America Act. These sections have already been discussed, and I shall therefore deal with them very briefly.

Section 56 deals with the right of the government of Great Britain,—not the parliament of Great Britain,—to disallow legislation even although it has passed both houses of parliament, has received the royal assent and has actually gone into operation. Every act passed by this parliament must be sent to one of the secretaries of state in Great Britain, and remain subject to disallowance for a period of two years from the time the act was received by the Secretary of State. If this right of disallowance had been regularly or frequently exercised it would no doubt have given rise to great irritation and great annoyance, but the right has not been exercised. As far as I am aware the right of disallowance given by the British North America Act to the British government has been exercised only once, namely, in 1873, some fifty-four years ago. Section 56 still remains intact in the British North America Act, and the present practice in regard to that section is that all acts passed by this parliament are sent every year to London, and it is intimated through the Secretary for Dominion Affairs that "His Majesty will not be advised to exercise his powers of disallowance" in regard thereto.

Sections 55 and 57 deal with another right of supervision, namely, the right of the Governor General to withhold the royal assent from a bill even although it has passed both houses of parliament, or to reserve the bill for the signification of His Majesty's pleasure. I am not greatly concerned with the exercise of the veto power which is conferred upon the Governor General by section 55, for I am convinced that constitutional practice will provide for its proper use. I do not believe it is any more likely that the Canadian Governor General would exercise his right of veto in Canada in respect of Canadian legislation, than that His Majesty the King would exercise that right in Great Britain in respect of British legislation. I think that that is particularly true since the recent declaration, which merely crystallizes the idea already developed with regard to the position of the Governor General in Canada. I believe that this definition of the Governor General's position in Canada as the representative of the crown marks a great step in the direction of equality of status, and I would suggest that steps be taken to change the title of His Majesty's representative in Canada from that of "Governor General" to that of "Viceroy", in order to indicate more truly the actual position which His Majesty's representative now occupies.

With regard to the right of reservation of bills for the signification of His Majesty's pleasure, I wish to point out that this right was fairly frequently exercised at the time of confederation and for some time subsequent thereto. The royal instructions to the Canadian Governor General at that time expressly required the Governor General to reserve in all cases for Her Majesty's pleasure, certain well defined classes of bills. This right of reservation was exercised prior to 1890 on some fifteen occasions, although as a matter of fact the royal assent was refused only in one case. In 1876 Mr. Edward Blake, then Minister of Justice, protested against the regular exercise of this right of reservation. He contended that the proper practice to follow should be to allow the bills to become acts of parliament, and go effectively into operation, and rely solely upon the right of disallowance if it were the opinion of the British government that such legislation was objectionable. He realized of course that the British government would hesitate very much more to exercise its right of disallowance in respect of an act that had already gone into operation, than to exercise its right of reservation. As a result of Mr. Edward Blake's protest the royal instructions were changed

in order to omit any mention of special classes of bills. It was intimated, however, very clearly at that time that the right of reservation was not given up, but that its exercise as a regular practice was abandoned, and the maintenance of the right is expressly referred to in the report of the Imperial conference. I agree with most of the hon. members who have spoken on this subject that these statutory rights of supervision and disallowance, in view of the constitutional practice that is followed, do not constitute any serious limitation of Canadian autonomy. It has been said that these rights are, in practice, constitutionally dead. Since these rights are constitutionally obsolete no useful purpose is served by the retention of sections 55, 56 and 57 in the British North America Act, and in my opinion they should be repealed. It is inconsistent with the declaration of equality of status which we are discussing that they should be retained. If our legislation is ultra vires, the courts which are constituted for that purpose will so find. If our legislation is within the legislative competence of our parliament then we are the best judges of the wisdom and the expediency of such legislation, and it should not be subject even to nominal review.

The Dominion power of self-government is further restricted by virtue of the Colonial Laws Validity Act of 1865, and that is a very serious limitation. Section 2 of that important act provides as follows:

> Any colonial law which is or shall be in any respect repugnant to the provisions of any act of parliament extending to the colony to which such law may relate, or repugnant to any order or regulation made under authority of such act of parliament, or having in the colony the force and effect of such act, shall be read subject to such act, order or regulation, and shall, to the extent of such repugnancy but not otherwise, be and remain absolutely void and inoperative.

This statute affirms the right of the parliament of Great Britain to legislate for the colonies, and in law Canada comes within that category for the purposes of this act. Just as the parliament of Great Britain by the British North America Act conferred powers upon the Dominion of Canada, so it can increase or diminish those powers as it sees fit, and it has done so. In law two propositions are perfectly clear. First, the Dominion parliament has no power to pass legislation which runs counter to any act of the parliament of Great Britain extending to Canada, and with all due deference to the hon. leader of the opposition, I say that it cannot even now amend the British North America Act or pass legislation that is repugnant to it. Second, the parliament of Great Britain is under no legal restriction whatever. It may pass any legislation it sees fit and no court will declare that legislation ultra vires. It may make such legislation applicable to the Dominion of Canada if it chooses to do so, and so legislate for the people of Canada without obtaining their approval. In practice the British parliament does not generally do so, but since confederation it has done so in several cases, for example; the Extradition Act, 1870; the Foreign Enlistment Act, 1870; the Fugitive Offenders' Act, 1881; and the Merchant Shipping Act, 1894, regarding which we heard this afternoon. This power of the British parliament is not constitutionally dead, and as long as this distinction exists, it is absurd to speak of absolute equality of status.

I have endeavoured to set out the inequalities of legislative power between the parliament of Canada on the one hand and that of Great Britain on the other. It is obvious and undisputed in spite of constitutional development and practice. The Imperial conference itself recognized the existence of the inequalities to which I have referred and thereby admitted that the definition of equality which they arrive at must not be taken literally. The conference recommended that steps should be taken by Great Britain and the dominions to set up a committee:

> To inquire into, report upon, and make recommendations concerning—
>
> (i) Existing statutory provisions requiring reservation of Dominion legislation for the assent of His Majesty or authorizing the disallowance of such legislation.
>
> (ii) (a) The present position as to the competence of dominion parliaments to give their legislation extra-territorial operation.
>
> (b) The practicability and most convenient method of giving effect to the principle that each dominion parliament should have power to give extra-territorial operation to its legislation in all cases where such operation is ancillary to provision for the peace, order, and good government of the Dominion.
>
> (iii) The principles embodied in or underlying the Colonial Laws Validity Act, 1865, and the extent to which any provisions of that act ought to be repealed, amended, or modified in the light of the existing relations between the various members of the British commonwealth of nations as described in this report.

With that recommendation of the conference I heartily concur.

There is one other aspect in which inferiority exists, and the Minister of Justice (Mr. Lapointe) referred to it in the brilliant and masterly address which he delivered yesterday in this House. While it is within the power of Great Britain to decide for herself how her laws shall be administered, no similar right is given to Canada. Even if Canada should

desire to prohibit appeals to the Privy Council, she has no power to do so. Her lack of rights in that respect has been settled on two occasions. In 1875 when a bill was introduced in this parliament to create a supreme court for the Dominion, it was the expressed intention of the ministers to prohibit appeals to Her Majesty's Privy Council. They were however notified by the government of Great Britain that the bill could not be sanctioned unless the royal prerogative to hear appeals was preserved. Accordingly a saving clause was inserted in the bill and the bill received the royal assent. In 1888, some thirteen years afterwards, an attempt was again made, this time in criminal cases, to prohibit appeals to the Privy Council. Section 1025 of the Canadian Criminal Code seeks to accomplish that purpose. Since 1888 many applications for leave to appeal in criminal cases have been made to the Privy Council; but in every case the application for leave to appeal has been refused, thus showing that the Privy Council believes that we administer our criminal laws in a just manner. Year after year the Privy Council has refrained from discussing the validity of the section which I have mentioned, but in 1926 it settled the question in the famous case of Rex versus Nadan, a liquor conviction case from Alberta. There was no greater reason inherent in the case itself for deciding the constitutional question in that case than in the other cases which had come before that body, and in fact there was less. It was widely suggested at the time in London that there were special reasons why the point should now be settled, namely that it was desirable to have a precedent established in case the Irish Free State should desire to prohibit appeals to the Privy Council. The constitution of the Irish Free State is declared to be similar to that of Canada. If Canada cannot prohibit appeals to the Privy Council, then neither can the Irish Free State. The leader of the opposition in the course of his address on Tuesday last stated that we now have the right to abolish appeals to the Privy Council. The Privy Council disagrees with him. In the Nadan case it held that section 1025 of the Canadian Criminal Code was ultra vires and that Canada could not effectively prohibit the appeals to the Privy Council, because of the British statutes of 1833 and 1844 relating to appeals and because of section 2 of the Colonial Laws Validity Act. I am not concerned with the reason for the decision, but I am concerned with the decision itself that Canada has no right to decide for herself whether her judicial system shall be self-contained or not.

This then is the legal and constitutional relation of Canada and Great Britain in regard to legislative power—Great Britain free and unrestricted in all her legislative functions—Canada limited in power and subject to supervision and control in such power as she possesses. How can there literally be equality of status under such circumstances? In my opinion Canada does not possess complete autonomy; she is not equal in status, to Great Britain and this parliament is still, as it always has been, subordinate to that of Great Britain. I am not complaining of that inequality, for whether Canada is equal to Great Britain or not, I would rather live in Canada than in any other land under the sun. I am not contending that Canada is suffering any great hardship from that inequality, and I am not desirous of stirring up any agitation whatsoever, but I see no useful purpose in attempting to conceal from ourselves the true, actual state of affairs. The Imperial conference attempted to reconcile in one definition equality of status and the maintenance of the empire. The phrase, "equality of status, within the empire", is, in my opinion, in law a contradiction of terms.

What then does this declaration of equality mean, since it does not accurately set out the true state of affairs and is manifestly contradictory in its terms? Why should we be so pleased with it in Canada? It has been hailed as a great charter of liberty, and, in my opinion, rightly so. Notwithstanding its inaccuracies, notwithstanding its contradictions, it marks a new era in empire development and promises new life to the Canadian nation. What is the effect of such a declaration of equality made between Great Britain on the one hand, and Canada on the other, between a superior and an inferior? The declaration does not imply independence. It is not tantamount to a declaration of independence, for the very terms of the definition hold the various constituent parts of the empire within the empire and presuppose the continued existence of the empire. The declaration in my opinion, if any meaning can be given to it, involves and implies two things: first, an implied agreement by Great Britain that she will not exercise the sovereign powers which she legally possesses except at the request and with the concurrence of the dominions; it is simply a crystallization of the constitutional practice that has gradually developed; and secondly, and this is very important, there is an implied promise by Great Britain that she will place the dominions in a position as near to equality as is consistent with the maintenance of the

empire. In this view the declaration involves, on the one hand, a renunciation of powers by Great Britain, the superior, and on the other hand, a granting of powers to the dominions, the inferiors, in order that their status may approximate to equality as closely as possible. May I interpret the declaration also, not as a statement of existing facts, but rather as an ideal to be aimed at, and may I repeat the statement which I made at the outset, that the declaration is a promise of equality? In my opinion the declaration is tantamount to a statement by Great Britain, which was a party to it, that Canada and the other self-governing dominions are now entitled to the maximum amount of autonomy and the maximum amount of self-government that is consistent with the maintenance of the empire.

Mr. COOTE: I wonder if the hon. member would be good enough at this point to elaborate just what he means by the maximum amount of autonomy which we might have consistent with the maintenance of the empire?

Mr. THORSON: I am coming to that. I have already indicated in the course of my remarks the various respects in which Canada falls short of that maximum amount of autonomy and that maximum amount of self-government but let me enumerate them again:

1. Complete freedom from the supervision and control of our legislation by the government of Great Britain, even although that control and supervision be nominal.

2. The right to pass legislation having an extra-territorial effect if we deem it desirable in the interests of Canada to do so.

3. The right to decide for ourselves how we shall administer our laws, and to prohibit appeals to the Privy Council if we so desire.

4. The right to amend our constitution as we may deem it necessary without the intervention of the parliament of Great Britain.

This, Mr. Speaker, is the new charter which Great Britain is prepared to grant to Canada when Canada is prepared to receive it.

Mr. ADSHEAD: If Great Britain goes to war without our consent, are we not involved in the war whether we will or no?

Mr. THORSON: I made the statement at the outset that I proposed to confine my discussion solely to autonomy in so far as the domestic affairs of Canada are concerned.

This, Mr. Speaker, I repeat, is the new charter which Great Britain is prepared to give to Canada as soon as Canada is ready to accept it. Even if no legislative action is taken by the parliament of Great Britain then, although no great change of status will have taken place by virtue of the declaration of the Imperial conference, nevertheless a portion of that charter has been conferred upon us because the constitutional practice of Great Britain not to interfere in Canadian affairs has been crystallized. But in order that the promise of increased autonomy and increased rights of self-government should be fully implemented, more is required than the mere declaration of an imperial conference, for we must never lose sight of the fact that the imperial conference is a conference solely, and that it has no legislative authority whatsoever. If we are to get that increase of autonomy and that increase in our right of self-government, then it will be necessary to pass appropriate legislation, and that legislation must come from the parliament of Great Britain. No court of law in this country or elsewhere would pay the slightest attention to the declarations of such a body as the Imperial conference in so far as its legislative authority is concerned. We must remember this, Mr. Speaker, and I give this as a reason for laying such stress upon the legal aspects of the question. After all, our autonomy is measured by our power and by our right to translate our wishes into binding law. I do not imagine for a moment that this grant of further autonomy will be conferred upon us immediately, or will be conferred upon us against our will. There is a peculiar elasticity about the British constitution, for legal sanction very rarely precedes constitutional development. Great Britain will not make the grant until Canada is ready to receive it. Perhaps Canada is not yet ready to receive that grant, but that day, in my opinion, is not far distant.

What are the implications involved in the acceptance of this grant by the Dominion of Canada? If the grant is made, and it will not be made unless we are prepared to accept it, then we shall have the right to control entirely our judicial system, and to abolish appeals to the Privy Council if we so desire. We shall have the right to control entirely our constitution in so far as our internal affairs are concerned and we shall have power to amend the British North America Act as we deem necessary. We shall be complete masters in all those matters which concern ourselves alone. Why should we not have that right? Are we who are British subjects in Canada less entitled to complete autonomy and less entitled to the fullest right of self-government, than those British subjects who

reside in Great Britain? Are we less competent to manage and control our own affairs? Are we less worthy of trust? It has been suggested repeatedly by many speakers—and the hon. leader of the opposition has not been without guilt in that respect—that the guarantee of Great Britain to protect minorities by the exercise of her right of disallowance and her paramount legislative authority has been withdrawn by virtue of this declaration of equality of the Imperial conference, that a great blow has been struck at the rights of minorities and that these rights are in great danger. This suggestion—and in my opinion it is not a worthy one—has been made solely for the purpose of alarming our fellow citizens whose language is French and whose religion is Roman Catholic. In answer to that suggestion I say that even if the declaration of the Imperial conference does involve, by implication, a renunciation on the part of Great Britain of her powers of control and supervision over Canada, there is no danger whatsoever to the rights of minorities. If the guarantee of Great Britain has by implication been withdrawn then the guarantee of Canada still remains intact. Is our bond worth less than that of Great Britain in a matter that is so vital to national unity and so essential to the continued existence of Canada? If any power of amending our constitution is to be conferred upon us—and in my opinion it ought to be conferred—then that power of amending our constitution must be subject to two things and two important principles must be kept in mind. Firstly, the power of amending our constitution must be elastic enough to provide for sound national development, so that we may be permitted to dream of a day when we shall cease to be a group of warring provinces, jealous of one another's rights, and become in very truth a united nation. Secondly, the power of amending our constitution must be subject to the rights which our fellow-Canadians enjoy, both in respect of language and religion. We must be willing, if it is necessary, to renew ourselves in the name of the people of Canada the guarantees in that respect given at confederation. They were our guarantees then. They have been our guarantees in reality ever since, and they must remain our guarantees in the future. I have no doubt that the genius of Canadian statesmanship will make it possible to devise some machinery for amending our constitution that will preserve those two great principles that I have enunciated, provided the task of building that machinery is approached in the proper spirit of mutual trust and confidence, and unless we develop that spirit of mutual trust and confidence in our national affairs there is really no purpose in attempting to build a nation in this land of ours, for a nation that is not based upon these fundamental principles cannot endure.

The Imperial conference regarded the report which it submitted as the foundation for the work of subsequent conferences. So, Mr. Speaker, I am prepared to accept, and I do so gladly, the declaration of the Imperial conference, in so far as it relates to autonomy in our domestic affairs, as a foundation upon which to build this land of ours, as a starting point from which we shall march along the pathway that destiny has marked out for us, content with the present and absolutely fearless of the future, confident in the realization that a great heritage has been bestowed upon us, conscious of our growing national strength and power and hopeful that we shall become in time a united nation, imbued with the great principles of liberty, equality and fraternity. Upon the bedrock of these great principles we shall continue to build the nation which is in the process of construction, liberty of self-development, equality of language and religion, united in the fraternity of a common love of Canada; for that common love of Canada, that common devotion to the country which gave us birth and will receive our ashes, is after all the real test of a true Canadian.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): A good deal has been said in this debate, Mr. Speaker, with regard to the legal points at issue. Perhaps I may be permitted to emphasize the more practical aspects of the question before us. The most important question, it seems to me, with regard to the Imperial conference is this: Is Canada bound by the decisions and recommendations of the conference? The Prime Minister (Mr. Mackenzie King) says "not unless these are ratified by parliament". Yet curiously enough the government has made no effort whatever to have these decisions and recommendations ratified. The question comes before us, as we know, in a way that makes it extremely difficult for us to give expression by vote to our approval or disapproval of the various measures proposed. I take it then that unless there is ratification by this House, for which no provision is being made, Canada is not bound by the recommendations or suggestions of this report. It is commonly said by the press gallery, after a debate on a private member's motion, that the discussion "was academic". I fancy that the best that can be said with regard to our discussion in this House during the

last two or three days is that it is largely academic in character. Perhaps after all, at least from the standpoint of those of us who cannot endorse all the recommendations, it is just as well that we should not pass resolutions with regard to this report. It at least leaves Canada free from some of the obligations which might otherwise be entailed.

Was anything, then, really accomplished by the conference? Immediately after the conference we were inclined to think that it marked a new era, that all the high tributes paid by the member for Winnipeg South Centre (Mr. Thorson) were true, and that we were being given a charter of new and enlarged liberty. In the course of this debate it would seem that really this so-called new and enlarged liberty does not amount to anything. Perhaps the truth will be found somewhere in between. Personally I think the conference meant a good deal. Probably the greatest accomplishment is that we can now claim autonomy without being charged with disloyalty.

Mr. LAPOINTE: That is something.

Mr. WOODSWORTH: Something, yes—I think it is a great thing. I repeat, now it is quite possible for us to claim autonomy without being charged with disloyalty. After all, Lord Balfour is quite respectable company. Let me repeat some of the phrases of the report, which are perhaps the greatest gain we have derived from the conference:

The self-governing communities.

Again:

Our autonomous communities.

Again:

Equal in status.

Again:

In no way subordinate one to another in any aspect of their domestic or external affairs.

Again:

Every self-governing member is now master of its own destiny.

And again:

It is subject to no compulsion whatever.

Surely these are wonderful phrases and ought to satisfy us all. But I would ask very frankly; are these in fact true? Unhesitatingly I answer, No. Let us get away from camouflage. Let us face the actual situation.

But first of all let me direct attention to the fact that the so-called self-governing communities form only a very small portion of the British Empire. Throughout the debate we have been talking as if the British Isles, Canada, Australia, New Zealand and South Africa, the self-governing dominions, were the British Empire. That is very far from being the fact. A great many other communities and considerations must be taken into account if we are to discuss imperial affairs, and these have hardly been touched throughout the course of the debate.

We were told by the Prime Minister that information in regard to foreign affairs was "highly confidential". That sounds strange in what is supposed to be a democracy. These foreign affairs are secret, and although self-governing dominions, we must simply accept the few crumbs of information that may be handed to us.

With regard to the other parts of the empire, the Prime Minister said the other day:

Canada is not interested in any immediate way.

I wonder whether he is correct in that statement. It is an easy way of getting rid of some very difficult problems. But I would ask him: What about Egypt—was not Canada interested there a few years ago? What about South Africa—was Canada not interested in any immediate way in that country a few years ago? What about India—is Canada not interested? What about China these days—is Canada not interested? We have had no discussion whatever with regard to these communities within the British Empire which are not so largely self-governing as our own. This question was dealt with at the Imperial conference. According to the report:

Mr. Amery opened by a description of the variety and size of the colonial empire ranging from small self-governing communities like the island of Malta to the vast possessions in tropical Africa. He then emphasized its interest and economic importance to other parts of the empire, pointing out that its total trade, which had expanded enormously in recent years, was now over £500,000,000 per annum. He laid stress on the importance for the future to the rest of the empire of the adequate development of these great areas, over two million square miles in extent, lying mainly in the tropics, and on the fact that production in the tropics was complementary to the industrial production of the temperate zones.

He was here speaking particularly of the colonies, protectorates and mandated territories.

A recent writer estimates that nearly nine-tenths of the whole habitable globe is under white domination. I wonder whether we can realize that. In regard to population he adds that of every seven people in the British Empire six are coloured. So whilst we have been talking here about the British Empire, we have been concerning ourselves about a portion only of its population—at the very most of one man out of every seven.

A very interesting book has recently been published on imperialism and world politics by Professor T. Parker Moon. He finds that:

The imperialistic nations of to-day possess colonies and protectorates which, taken together, are seven times the size of Europe and half the earth's total land surface. Six hundred million human beings, a third of the human race, are directly subject to imperialist domination.

Imperialistic domination! What does it mean? I do not think I can give a better definition than that expressed by a recognized authority, Mr. J. A. Hobson:

Imperialism is a depraved choice of national life, imposed by self-seeking interests which appeal to the lusts of quantitative acquisitiveness and of forceful domination. . . . Its adoption as a policy implies a deliberate renunciation of that cultivation of the higher inner qualities which for a nation as for an individual constitutes the ascendency of reason over brute impulse. It is the besetting sin of all successful states, and its penalty is unalterable in the order of nature.

This is the British Empire which was represented, at least to a limited extent, at the Imperial conference, and I would suggest that we cannot altogether avoid a discussion of the larger issues involved.

Back in the Old Greek democracies it will be remembered that a small group of free men dominated a large slave population. We are very largely in the same position to-day: a comparatively small group of white people, self-governing, dominate an enormous number of coloured races in every part of the world. We do not solve our own problems here in Canada or the problems of the other self-governing dominions unless we recognize these wider aspects of our problem. It is true that India was supposed to be represented at the Imperial conference, and I believe one of her representatives was Lord Birkenhead. I wonder what his idea of empire is. We have had the British Empire lauded; now let us find out what Lord Birkenhead, an official representative of India, has to say with regard to his ideals of empire. I quote from an article of his appearing in The Empire Review of December, 1923, in which he says:

So Greece succeeded Rome, teaching the entire world during the whole of its stern, dominating, and imperial sway, that might was right, and that a sharp sword in the hand of a disciplined soldier was the most persuasive argument in world diplomacy.

According to Lord Birkenhead that was the great lesson Rome taught us as well as the rest of the world. After decrying idealism he states in another paragraph:

For many thousands of years the emergence of new and martial nations has been gradually marked by violent readjustments of national boundaries.

That, of course, is a very mild and rather euphemistic way of putting the more ugly truth that these nations have won their places in the sun by brutal conquest. He goes on:

The world continues to offer glittering prizes to those who have stout hearts and sharp swords. . . . It is for us to march with heads erect and bright eyes along the road of our imperial destiny.

I wonder whether anything is stronger in the philosophy of Nietzsche or the writings of Von Bernhardi. Yet that was the statesman who was present as a representative of our largest dependency and who, according to despatches, claims to-day that the natives of India are unfit for self-government.

Perhaps I might say in passing that I was rather struck with the difference between this imperial conference and that conference which was held about a year ago, the first British commonwealth labour conference. Attending the latter were Mr. Ramsay MacDonald and other leading statesmen of Great Britain. I do not think it is necessary for me to inform this House that in all probability it will be only a matter of a comparatively short time until this newer group of statesmen will be at the helm in Great Britain. That is one reason why I would not like to loosen any of the ties which now unite us to Great Britain, but I would remind some of the gentlemen who speak so highly of the present brand of imperialism that one of these days their loyalty may be very severely tested, when men who have other ideals for the inferior peoples have the place of power. In order to remind hon. gentlemen that there is an alternative policy, may I quote a few sentences contained in the famous draft report of the Labour party in Great Britain. They rely—

—not on an enforced dominion over subject nations, subject races, subject colonies, subject classes or a subject sex, but, in industry as well as in government, on that equal freedom, that general consciousness of consent, and that widest possible participation in power, both economic and political, which is characteristic of democracy.

And again:

With regard to that great commonwealth of all races, all colours, all religions and all degrees of civilization, that we call the British Empire, the Labour party stands for its maintenance and its progressive development on the lines of local autonomy and "home rule all round"; the fullest respect for the rights of each people, whatever its colour, to all the democratic self-government of which it is capable, and to the proceeds of its own toil upon the resources of its own territorial home; and the closest possible coöperation among all the various members of what has become essentially not an empire in the old sense, but a Britannic alliance.

I would like to urge that we to-day, in claiming our own autonomy, must not overlook the claims of those who have not yet attained even to the forms of self-government.

Now let us go back to the question with which we started. Are we, the so-called self-governing dominions, equal in status with the motherland? I think the report itself recognizes very clearly that that is not the case, when it states:

> Existing administrative, legislative, and judicial forms are admittedly not wholly in accord with the position as described in section 2 of this report.

Lord Parmoor, in his forthright fashion, stated the case very clearly, and I would say that his position still stands notwithstanding the reply of Lord Balfour as read by the Prime Minister. Let me quote a paragraph from the Journal of the Parliaments of the Empire, referring to Lord Parmoor:

> He thought it was clear as matters now stood that, whatever might be the aim in the future the dominions were not "autonomous communities within the British Empire." Their own powers were circumscribed and restricted under their own constitutions granted by Great Britain, under the operation of the Colonial Laws Validity Act, 1865, and under the well-known principle that as regarded matters essentially affecting the Mother Country the British parliament at Westminster had a supreme authority. The dominions were subordinate not only in theory but in constitutional practice in many directions as regarded both their domestic and external affairs.

I am not going to dwell on those matters which have been touched upon by previous speakers, such as the fact that our legislation may be disallowed, that there are certain types of legislation concerning which there is a reservation, and the limitations imposed by Colonial Laws Validity Act. I would, however, emphasize once more that we have at present no right to amend our own constitution. We talk about equality of status with the motherland; can you imagine the motherland coming to Canada and asking for the right to amend her constitution? The thing is absurd. As a matter of fact, as I pointed out in the debate on the address, in this respect we are not even equal to Ireland, which can modify its constitution; we are not equal to Australia and we are not equal to South Africa; so far from being equal in status to the motherland we are inferior even to those dominions which have more recently received their constitutions.

The leader of the opposition (Mr. Guthrie), in discussing appeals to the Privy Council, suggested that we should have some external authority to check any radical tendencies which might develop later in Canada. That seems to me a most extraordinary position to take. Why should we be so fearful of what may happen to those who come after us—our own children? Surely nothing could be more characteristic of a Conservative than a position of that character. I take it that we should insist that we have a perfect right to be our own last court of appeal. So long as we are not, it is nonsense to talk about equality of status.

Let us consider another matter, that of merchant shipping, which is a very practical question. Several years ago we discussed the evils of the North Atlantic shipping combine, and as we all remember we did not get very far with that. But I think we realized then, if not before, that all our shipping interests were subordinate to those of the motherland. Again, why talk about equality of status when in this matter even at the Imperial conference the motherland reserved the right to keep us in that position of subordination?

Further than that: On a matter that has been concerning us in recent days, that of extra-territorial jurisdiction, in an article on Dominion Autonomy in the March issue of Queen's Quarterly I read this paragraph from Mr. J. S. Ewart:

> At present, Canada is unable to regulate the conduct of her citizens at any places beyond her geographical area. Every sovereign state has jurisdiction over its own citizens, wherever they may be, and, for violation of regulations may punish them when they return within its own territory. Canada has no such power. She cannot, for example, prescribe rules for observance by her fishermen or her aviators when beyond the three mile limit from her shores. Up to this time, the British parliament has assumed to exercise that jurisdiction over Canadians. And as far as it is revealed by the proceedings of the Imperial conference, it would appear that the premiers assented to the continuance of the practice—

So it would seem that if our aviators go outside the three mile limit immediately they cease to be within the jurisdiction of Canada. Under these circumstances there may be some knotty departmental difficulties. Think of the questions of discipline and administration that will concern us before very long if this is allowed in practice.

But in all seriousness, it is only a day or two ago that I asked the Prime Minister with regard to Canadians resident in China. He told me that intimation had been given to foreign residents in that country to move from interior points. He did not say, he was very careful not to say, that the Canadian govern-

ment had given that intimation. The fact is that the Canadian government has no right to give such intimation, that the Canadians resident in China are quite out of the jurisdiction of the Canadian government. The Prime Minister said further that the government of Canada has not given any special directions advising that Canadian residents should leave China, and he added:

> My hon. friend must make some allowance for the intelligence of the citizens of Canada who are in China. They surely are in the best position to judge as to what may be necessary and advisable.

I submit that statement hardly comes with very good grace from the Prime Minister of a great country equal in status with Great Britain. Surely we are not going to surrender authority over our citizens in that way, and simply get out of our difficulties by saying our citizens must exercise their own good sense under the circumstances. I feel strongly in this matter, as the very next thing will be that some of our citizens in China will be getting into trouble, or be pushed into a position of danger. Then there will be an outcry all over this country and a demand that we must save Canadian lives. It seems to me that this question of extra-territorial jurisdiction is a very serious one. Someone near me advances the idea that this concerns the Minister of Justice, I presume the suggestion is that the minister will be entirely outside of the jurisdiction of the country once he leaves our shores. Possibly ministers of justice, like consuls, have special privileges.

I would say, Mr. Speaker, that although a good deal has been accomplished by the conference its decisions are very unsatisfactory indeed as regards foreign affairs. I quote from page 21 of the report:

> It was frankly recognized that in this sphere, as in the sphere of defence, the major share of responsibility rests now and must for some time continue to rest, with His Majesty's government in Great Britain.

The Prime Minister assures us that Canada has no commitments, and it would seem as if his statement is largely borne out by that of the report itself. Neither Great Britain nor the Dominion can be committed to the acceptance of active obligations except with the definite assent of their own government. And yet I would point out that in this clause, as in almost every clause of the report, there are saving clauses. I think perhaps I should not be going too far if, to use an American expression I called them "jokers". In legal documents it is those saving clauses which largely nullify what seems to be placed in the main body of the provisions concerned. With respect to active obligations, it is all very well to say that we are not compelled to send so many troops unless we decide in Canada to do so; but no member of the government has said that the Imperial conference has changed in the slightest what has generally been accepted to be the situation—that if Great Britain is at war Canada is at war, whether we like it or not. Do we then say that that is equality of status? Under those circumstances would we say that we had no commitments? On this very point Lord Balfour spoke as follows in the British House of Commons:

> I should say that so far as this country is concerned we are bound to go to war to defend any part of this Empire which is in danger. Personally I think the duties of all the other members of the empire to us are not less than our duties to them.

He says Britain is bound to go to the aid of any part of the empire which is in danger. He suggests that we in turn are bound to go when any part of the empire is in danger. What does that mean? Surely it is a fairly definite commitment if such a statement as that is allowed to go unchallenged. I would point out that the arrangement is a very one-sided one indeed. That is, we are a small part of the empire, with very little voice in the foreign policy of the empire, and yet we are liable to be dragged into one of the imperialistic wars as to the cause of which we have no concern whatever. I can see that this may be a very great benefit to Great Britain, at least to certain groups in Great Britain. I want to make it very clear that when I speak against British imperialism I am denouncing a particular type of control exercised by a comparatively small number of people in Great Britain, and repudiated by a very large number of the English people themselves. I am not against Great Britain. I know that all over the British dominions to-day, and most especially in the very heart of the empire, meetings are being held to protest against the very kind of thing that I am protesting against to-night. I know that there is a large portion of the Labour party that is definitely opposed to the very evil that I am protesting against to-night—that is, that a comparatively small number of active industrialists and financiers are able to get control of certain concessions in various parts of the world, and then be in a position to utilize the machinery of the empire to defend them when they get into difficulties, or permit them still further to carry on their exploitation of the peoples of these more backward countries.

I am thinking particularly, as doubtless a great many of us are thinking these days, of the situation in China. As far back as 1923 the Toronto Globe published a report of a speech by Dr. Sherwood Eddy in which he presented a terrible picture of the nascent factory system in Shanghai. I want to read a couple of paragraphs from that report:

There are at least fifty cotton mills around Shanghai and more are going up. Thousands of children down to the age of eight or nine are employed. Little girls, eight or nine years of age, were standing between double rows of whizzing, unguarded machinery, steadily but wearily feeding the machines. One mite, perhaps eight years of age, was curled in an exhausted heap on the cement floor sound asleep. Over in a corner, under a pile of waste, a tiny baby was spending the night, while his mother worked at a machine nearby. . . . In one small hospital there were one day this winter three children under ten years old. The arm of one had been caught in an unfenced machine and was all but torn off. The leg of another was smashed from hip to ankle by the teeth of a machine. The third, a little girl, had been caught by the hair in her machine and her scalp torn off. Not one of these accidents would have happened had the machines been fitted with safety devices. Most of the accidents happen in the night shifts, between two and four in the morning. Such are the terrible conditions in Chinese industry.

This is no fanciful picture. I have under my hand figures with regard to the low wages paid and the wretched sanitary conditions that prevail. These are not taken from the report of some visiting foreigner. I would refer anyone who is interested to the report of the Child Labour Commission appointed by the municipal council of Shanghai in 1923. It was these atrocious conditions that led to the trouble of a year ago. It is the continuance of these conditions in Shanghai that has caused so much trouble throughout the length and breadth of China and that has made the British people to be hated there above all foreigners who are living in China to-day. Can we condone such conditions as these? In a manifesto issued by the Independent Labour Party of Great Britain I read that:

Hong Kong and Shanghai banking corporations for many years have paid dividends of roughly 50 per cent.

There you have the cause of the trouble—huge dividends, huge financial interests, and those interests posing in the orient as "Britain". I come back to Canadian residents in China to-day, and I would urge upon the government that they do not permit Canadian men and women to be used as a screen to protect the interests of those who are intent chiefly on exploiting China. I am not speaking merely from the standpoint of Canadian labour. Responsible bodies all over England to-day are holding meetings "Hands off China," and protesting against this particular type of imperialism. I would like to quote a recognized authority whose sincerity no one in this chamber will doubt. Bertrand Russell said a few months ago:

If we were fighting for a great cause, the prospect of loss might be faced with heroism. But the exact opposite is the case: we are fighting against everything progressive, upright, and intelligent in China, in favor of everything ignorant, reactionary and corrupt. We are fighting to keep civilization under in a great nation, in order that it may be the easier to exploit. We are fighting for the right to shoot down young unarmed students when they protest against the killing of Chinese workers by Japanese capitalists in labor disputes. We are fighting to prolong anarchy and civil war among self-seeking militarists dependent upon foreign support. We are fighting to preserve everything that is bad and to prevent the growth of everything that it good. This, alas, is our position throughout Asia. This is the sacred cause which we pursue with a pig-headed obstinacy that must, before long, bring ruin and national disaster upon us. Both as a patriot and as an internationalist, I view the situation with feelings little short of despair.

We in Canada must be on our guard lest we lend ourselves to the manipulations of a group of imperialists which is largely composed of exploiters. I would reiterate that in taking this position to-night, I am taking the position which the Labour party, a large and representative section of the people of England, are assuming in the old country at the present time.

Coming back more directly to the report I should like to ask: Why the resolution on Locarno? If I remember aright, the dominions were not consulted with regard to the Locarno treaty; we gave no assent to the Locarno treaty, and yet, notwithstanding this, the representatives of Canada joined, I understand, in this resolution:

The conference has heard with satisfaction the statement of the Secretary of State for Foreign Affairs with regard to the efforts made to ensure peace in Europe, culminating in the agreements of Locarno.

Further than that, I ask: Why the attitude of the representatives of Canada towards compulsory arbitration in international disputes? To be frank, I think that attitude is distinctly disappointing. I hope, perhaps even before this debate closes, we shall have some further explanation as to this matter. Let me read this extract from the report:

Whilst the members of the committee were unanimous in favouring the widest possible extension of the method of arbitration for the settlement of international disputes—

Again, I presume, this is a general clause that is given out for the consumption of the public. It sounds well, but the clause goes on:

—the feeling was that it was at present premature to accept the obligations under the article in question.

I would ask when any reform was not premature. Yet apparently our represenative acquiesced; and we read on still further:

A general understanding was reached that none of the governments represented at the Imperial conference would take any action in the direction of the acceptance of the compulsory jurisdiction of the permanent court, without bringing up the matter for further discussion.

Thus to a considerable extent our hands are tied. We cannot urge compulsory arbitration for the settlement of international disputes unless we discuss the matter still further with the other members of the conference. I should have thought Canada ought to be in a position to conclude, let us say at once, a treaty of compulsory arbitration with the great United States and with a number of the countries of northern Europe, but we cannot do that without further consultation. I would hope, however, that even before the next Imperial conference steps will be taken in this direction. I note that the Right Hon. Sir Austen Chamberlain, when asked with regard to the procedure, replied:

An Imperial conference offers the most convenient opportunity for discussing such matters, but no doubt another method could be found, if necessary.

Hence the matter is still open for our consideration and I would respectfully submit that the greatest contribution that Canada could make to the cause of peace would be, not by following the lead of the older nations and building up larger armaments, but rather by leading the way in securing peace treaties with other nations and in recognizing that there is no subject upon which it is not preferable to arbitrate rather than to go to war.

But more serious than that, the report would seem to indicate that Canada is committed to common action for defence. I confess that when I heard the Prime Minister describe the military, naval and air demonstrations, I felt that I was in England rather than in Canada. The whole atmosphere was English rather than Canadian, and I am very much afraid that the Prime Minister must have been unduly influenced by his surroundings when he consented in any way to endorse the programme which was accepted by the Imperial conference. We read such phrases as this in the report: A committee is to be established on imperial defence. Is that committee to be purely advisory? I would suggest that we can hardly set up a committee of that kind without more or less committing ourselves to Great Britain in the question of defence.

I read further, that the chiefs of staffs are apparently to form a permanent sub-committee to deal with imperial defence. Still further in the report I read of an imperial defence college. Again it would seem to me that we are becoming more and more involved in the imperial war policies of Great Britain. Above all, I read of imperial air routes. I wonder where are the Liberals to-day who fought so strenuously against an imperial navy a few years ago. They are not fighting against an imperial navy to-day, because an imperial navy is not being proposed. We have developed beyond that. We have developed a more effective arm of warfare, and that is the air force. It is in this new region that we are being compromised to-day, and so we are committed, as far as I can see by the report, to imperial air routes. I am afraid that the Prime Minister has unfortunately been led astray on this point, and perhaps in some moment when he was less on his guard and did not fully realize all the implications of the matter has been led to consent to an arrangement of this kind. I felt somewhat confirmed in this view when I read an article not long ago in Toronto Saturday Night, of February 12th, from which I should like to read a paragraph or so:

Mr. King goes the length of remarking that no nation that cares either for its commerce or its people can afford to be indifferent to the many considerations of which they (the possibilities of aviation and wireless communication) compel us to take account, but the Prime Minister does not go so far as to challenge the settled convictions of Mr. Woodsworth and other pacifists in the parties that support him in parliament. He does not declare for preparedness against the possibility of war. The indignation of Miss Macphail can be imagined had he done so. He subtly circumvents the pacifists by giving his defence policy a civil complexion. One gathers that he is "sold" on aviation, as a means of defence in the event of war, and that he prefers to create an air force in Canada, but its establishment is not to be a provocation to international strife for it will have civil duties to perform.

I rather like that phrase, "sold" on aviation, because I am inclined to think, unfortunately, that it expresses a good deal of truth. The Prime Minister has been "sold" on aviation. I would like to use that slang word "sold" in another sense. I hope the Prime Minister will be "sold" in as it seems to me that we are starting in on quite wrong lines when we enter upon such a course. In that connection, Mr. Speaker, I should like to call attention, in passing, to the reports of the experts in civil

aviation appointed by the League Preparatory Commission for the Disarmament conference. I will read only one paragraph:

> It is desirable that governments should refrain from prescribing the use of military features in civil aircraft material, so that this material may be constructed for providing the greatest possible measure of security and most economic return. In this connection and with a view to differentiating still further between material of civil and that of military aviation, it is considered particularly desirable that as far as possible the use of military aviation material in civil aviation undertakings and in the operation of air transport lines should be avoided.

If that comes from the League of Nations as advice, and possibly as a warning, it does seem as if our government before it embarks upon a larger expenditure of moneys for aviation should take it into serious consideration. We should very sharply distinguish between civil and military aviation. There has been a very excellent series of articles in the Ottawa Citizen on this particular question, which I would commend to the government. It would seem as if it were a mere accident that the navigation of the air has been so largely developed by the military authorities, only I suppose advances in aviation came during the war time, but surely it is high time that we recognized that there should be navigation of the air for quite other than war purposes, and that the best results can be accomplished by building up our own civil aviation departments. I hope that the government will travel along that line, and I am sure that if it does, it will receive a great deal more enthusiastic support from this House than if it insists that our air force must be a unit in this imperial air force to which the report refers.

I am almost finished, Mr. Speaker. I should like, however, to say that had a sub-amendment been possible, we should have moved to have had this report referred to the committee on industrial and international relations. A few years ago, at the suggestion of the Prime Minister himself, that committee was set up. To date there have been no international problems referred to that committee. There is no doubt whatever that since the war we are realizing more and more clearly that Canada must consider not only matters of domestic interest, but also our foreign relations. It cannot be expected that the people at large will take an intelligent interest in foreign affairs unless there is a very great deal of general discussion, and I do not know how we can better foster that interest than by having foreign affairs given frequent consideration on the floor of this House and in the appropriate committee of this House. There have been so far very few opportunities offered. Only after an imperial conference or when the estimates are up, have we had a chance of discussing our foreign affairs. If the policies of the government with regard to agriculture or immigration or the national railways must be referred to committees, and discussed in committees, and recommendations brought back by the committee to the House, I do not see why that ought not to be the case with regard to our foreign affairs. I am perfectly well aware that, traditionally, foreign affairs have been considered to be something by themselves. It has been considered that they should be left in the hands of diplomats, and the diplomats have considered them secret, but surely we have learned since the war to protest against secret diplomacy, and if we believe in this protest we ought to set up the machinery for discussing our international affairs out in the open. We ought to establish the practice of so doing right here in this House. It would seem to me that the Prime Minister might possibly have avoided something of the partisan character of this discussion had he earlier in the debate referred this report as a whole to the committee on international relations. I know that this would have been an innovation. I know perfectly well that we would have to feel our way, because nothing of that kind has ever been done in committee. But we must begin some time, and if we do not at this stage endorse any of the recommendations of the conference I suggest that at the first opportunity the Prime Minister might be induced, possibly at some later session of this parliament, to refer to a committee, some of the recommendations or suggestions contained in the report. This course is desirable in order that we may become informed as to the great questions at issue and in order that we may give a lead to public opinion in this time of peace, so that if unfortunately there should be some international dispute at a later date we would have a well-informed public opinion and a people who would be able to judge these questions on their merits.

I am not one of those who believe that Canada any longer can lead an isolated life; undoubtedly we will have to accept our wider responsibilities. But I would venture to say—and I say it in the light of the ambiguities of this report—that there must be no responsibility unless we have an effective voice in the formulation of policy. Notwithstanding the fine phrases in the early part of the report, I think it will be admitted that so far as the foreign policy of the empire is concerned, we have to-day no effective voice.

I cannot conclude without suggesting that we must not confine ourselves too closely to the political aspects of imperialism. We have been speaking tonight in terms of politics; we are talking in terms of a great political empire, but I would remind the House that there is developing side by side—or I should rather say underneath—the political forms those economic forces that are perhaps more important and more vital than the political organizations. Our people to-day are crossing our international frontier; they travel back and forward; our goods travel back and forward, and capital travels back and forward. Whilst we are talking about kings and governors general and consuls, we must remember that the great industrialists and financiers to-day exercise an even greater power over the people than diplomats and kings. We must be careful lest we allow these political forms to cloud our eyes and make us incapable of perceiving the newer and stronger economic forces that hold alike promise and danger for the world. The world is becoming unified in part because of these great forces; the danger is that these great forces will attain such power that they may oust even that degree of political democracy to which we have attained.

Mr. JOHN EVANS (Rosetown): I have listened, Mr. Speaker, with some interest to the speeches which have already been made, and I would like to refer to one in particular, namely, that of the hon. member for Labelle (Mr. Bourassa). I must say that that hon. member never speaks in this chamber without engendering some heat, not only on his own part but on the part of some of the others who listen to him. The hon. member asked some very pertinent questions regarding our connection with the rest of the empire. Why, he asked, should we partake in Britain's wars brought on by a policy in the making of which we had no share? On the face of it, answering that question, I would say we should not be held responsible and should not be obliged to furnish men and money to fight any other nation's enemy which is not an enemy of ours. But somehow in the past we have been a part of this empire, whatever we shall be in the future, and I have never been able yet to separate myself as a Canadian from responsibility for empire matters, seeing that we ourselves are a world-trading nation. Our greatest customer in the past has been Great Britain, and no doubt she will be for some time to come. But our commerce has gone throughout the whole world, over the seven seas, in safety, as free as Britain's own commerce, practically without any effort on our part or any expense to this Dominion. I am sure, Sir, that had we not a friendly country to the south of us in the United States we would have appreciated the connection with Great Britain in the past far more than we have done.

The hon. member for Labelle denounces imperialism. He is scandalized that the Prime Minister (Mr. Mackenzie King) should quote even Lord Balfour, and he uses the word "colonials" in a derisive sense to show the attitude of British statesmen towards the representatives of the Dominion. In reply to this, I should like to say that Britain has sought for many years to get the Dominion to take a greater share and assume more responsibility in the forming of her foreign policy. For many years it has been shown that the difficulty in this connection arises from the world-wide extent of the British Empire, making almost impossible an adequate means of conference on all international matters requiring prompt decision. Canada no doubt has felt this to some extent, but she has felt it a thousand times less than Great Britain. It was that feeling which in the end led us to appoint a representative—a minister or plenipotentiary—to Washington. If it can be said that Britain has not appreciated our problems on this hemisphere, much more might the same be said of the Dominion regarding international affairs. Whatever may be our status henceforth, I hope we shall still coöperate and share each other's burdens as a commonwealth so far as such coöperation may be found practicable.

As for myself, Mr. Speaker, I am British born, and I am proud so to declare to-night. Indeed, Sir, if there was any inclination on my part or on the part of many of my friends in this corner of the House to forget it, we are promptly reminded that we are simply "imported" Canadians. I question if in any country in the world to-day there can be found more men imbued with the spirit of rabid imperialism than in Canada, and I include in this category my hon. friend from Labelle and many who sit on the same side of the House with him. The principle of coöperation of the overseas dominions with the motherland has been due to that equality of freedom and status enjoyed by each part, and our Canadian imperialists to-day—I say this in all seriousness—might well take a lesson to heart from this fact. It is because of the very freedom that has been allowed each part that the different races that compose the population of Great Britain are loyal to a central authority to which they each in turn contribute.

It will be remembered that at the last session of parliament an agreement was entered into by the government with Alberta to give that province control of its natural resources. The agreement was laid on the table of this House. The bill in its original form was unobjectionable, but when the hon. member for Labelle examined it his imperialistic spirit burst forth in all its fury, and he threatened a revolt unless the bill was amended so as to bind the province to maintain separate schools for all time to come. Imperialism! We need to examine ourselves even to be honest in argument. The very spirit that prompted the speech of my hon. friend is exactly the same spirit that sent the French army into the Ruhr. The spirit that demanded a contract of Alberta in those terms is exactly the same spirit that dominated France when she repudiated her obligations to her chief ally and saviour in the Great war, and instead of reimbursing Britain as she should have done, she kept her factories going night and day to furnish twenty million rifles and other munitions of war to Poland—all actuated by that spirit of domination. The same arrogant spirit of domination of one part of this Dominion is dictating to some of the other provinces how they shall administer their internal affairs, particularly education. That to me would indicate a desire to teach our children loyalty and subserviency to ideas contrary to the considered welfare of the people themselves.

The Dominion government has assumed to itself the imperialistic power of dictating to the provinces, and I say frankly that I am still looking to the Privy Council as a possible means of securing the rights to which we are entitled in the western provinces. Because of this I am in accord with the spirit of the amendment; and so far as I can learn from the remarks of the Minister of Justice (Mr. Lapointe) the government itself is going to accept the amendment, for he has already said that no changes can be made in the constitution—he goes even further than the amendment—without the consent of the provinces. I am glad he has laid down that principle as a guide for the future.

Mr. HEAPS: Does the hon. member agree with that policy?

Mr. EVANS: Why shouldn't I?

Mr. HEAPS: I am just asking the question.

Mr. EVANS: It is all right. I say, Mr. Speaker, that any representative from the prairie provinces who at the promised conference this summer between the Dominion and the provinces will agree to anything that is likely to endanger the right of reference to the Privy Council will not be expressing the wishes of his people. I am expressing to-night the feeling of the majority of the people of Saskatchewan when I say that as far as that province is concerned we shall be just as willing to be governed from Downing street as from St. James street, Montreal, or King street, Toronto.

No decision would ever have emanated from the Imperial conference unless it was reached unanimously, and if the conference has done anything to clarify our status it has done so only because of the freedom and equality of every unit of the great British commonwealth of nations. Canada is a replica almost of the British Empire, and this confederation cannot be held together unless by the equality of status and freedom of every unit. I believe the spirit that underlay the idea of confederation was that the Dominion parliament should be what the provinces choose to make it. But it has become an imperialistic dictator in its attitude to the provinces, which are, or should be, autonomous parts within the confederation. I repeat, Sir, I am glad the Minister of Justice has laid it down as a ruling principle that the constitution cannot be amended but by the consent of the provinces.

When the hon. member for Labelle so fervently denounced British imperialism I recalled the speech he made at the beginning of last session. It is well to consider this question in the light of practical politics and history. On page 1686 of Hansard the hon. member accuses Britain of being the cause of the Great war. I do not know why he should have gone out of his way to so accuse Britain, but he did. Now, I think he is not only unfair, but it seems to me that he purposely overlooks several factors which resulted in that world catastrophe. The chief reason no doubt was trade and that ambition to dominate with imperialistic control which was held by some of the nations; and for either of those Germany was not wholly to blame. In my opinion Canada did her share to bring about that great world catastrophe, in fact I do not know that Canada is not as directly responsible for the great world war as any nation on earth. I believe to-day that the British preference which we inserted in our tariff was the cause of a great deal of enmity and had much to do with the Great war. Of course, outside of that cause there was the overpowering ambition of France to regain her lost provinces. But let us recall an historical fact within the memory of most

members of this House. France and Russia formed an alliance for offensive and defensive purposes; France even boasted that she would make Germany pay for her three-year military service, and Russia on the one side and France on the other kept raising a tariff wall against Germany. When we inaugurated the British preference Germany begged to be included in that scheme in some way, finding that Britain was her best customer, but it was two-facedly said in this House at the time that Germany was seeking to bring about a cleavage between Britain and her colonies. I say to-night, Mr. Speaker, that had we been agreeable to that proposal there would have been formed in the world at that time a real free trade union, and the faces of the nations would have been turned toward peace instead of toward war. It was not the fault of Britain, but it must be admitted that a fair share of that fault lies at the door of this Dominion, because by the greed and avarice of our Canadian imperialists, who sought to obtain for themselves not only the direction of the forces of wealth and industry in this Dominion, but the direction of the terms of living of the rest of the nation. This they did without regard to the rights of those parts of our country with fewer representatives in this House.

In conclusion I want to say that freedom is the very essence of loyalty, and that this Dominion can be a confederation in the real sense of the term only as every part of it is as free as is set forth in the declaration of the Imperial conference, under which we are declared a free nation within the British Empire. Our confederation must be built upon that freedom.

On motion of Mr. Bennett the debate was adjourned.

On motion of Mr. Mackenzie King the House adjourned at 11.08 p.m.

Friday, April 1, 1927

The House met at three o'clock.

REPORTS OF COMMITTEES

Fourth report of the select standing committee on banking and commerce.—Mr. Jacobs.

Eighth and ninth reports of the select standing committee on miscellaneous private bills. —Mr. Parent.

PRIVATE BILLS—REFUNDING OF PENALTY FEE

Mr. GEORGES PARENT (Quebec West) moved:

That, in accordance with the recommendation contained in the eighth report of the select standing committee on miscellaneous private bills, the penalty fee imposed in respect to Bill No. 221, intituled: "An Act for the relief of John Lauron Garfield Evans," be refunded.

Motion agreed to.

CHARLO STATION POSTMASTER

Hon. P. J. VENIOT (Postmaster General): I beg to lay on the table return to an order of the House passed on the motion of the hon. member for Charlotte (Mr. Grimmer). I might explain that the order asked for a return in connection with the dismissal of the postmaster at River Charlo. There is no such dismissal, but there was a dismissal of George Chalmers, postmaster at Charlo Station, and I am giving the papers in connection with that.

CHICOUTIMI HARBOUR COMMISSION

Right Hon. W. L. MACKENZIE KING (Prime Minister, for the Minister of Marine and Fisheries) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to authorize a loan to the Harbour Commissioners of Chicoutimi in an amount not exceeding $500,000, to carry on the construction of terminal facilities, upon approval by the governor in council of detailed plans, specifications and estimates for such works and the deposit of debentures of the corporation to cover said loan.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

CIVIL SERVICE SALARIES

STATEMENT BY MR. RINFRET OF PROPOSED REVISION

On the Orders of the Day.

Hon. FERNAND RINFRET (Secretary of State): Mr. Speaker, I wish, on the orders of the day, to make known to the House the proposed salary revision of the civil service to date from to-day, April 1, 1927.

1. All classes in the classification of the civil service of Canada, both inside and outside, up to and including $5,100 per annum are to be increased by $120 per annum in both minimum and maximum salary rates, and each employee will receive an increase of $10 per month dating from April 1, 1927, with the following exceptions:

(a) No increase will be granted in the minimum for the junior clerical grades (Clerk, Grade 1) and for the classes of equivalent or lower grade, and for certain other classes which were increased by salary revision, 1924.

(b) All temporary employees will receive an increase to the new minimum of the class except in those classes where no increase is to be made in minimum salary rates.

(c) Any employee who is now in receipt of a flat increase in salary granted by the salary revision of 1924 in lieu of former bonus payments, shall now receive an increase in salary equal to the difference between the amount of such flat increase now received and the increase provided for the class in which his position is classified not however exceeding the new maximum rate of his class.

(d) Classes which were increased by $180 per annum or more by the salary revision of 1924 will be increased in maximum by $60 and employees in these classes will receive an immediate increase of $5 per month.

(e) A small number of other classes which were increased by salary revision of 1924 will receive such increases in minimum and maximum rates as to bring the classes into harmony with other closely related classes and the employees in these classes will receive immediate increases corresponding to the increases in the maximum of the class.

(f) Employees who are eligible to receive statutory increases from April 1, 1927, will receive this proposed increase in addition to the annual statutory increase.

LIQUOR EXPORT

On the Orders of the Day.

Mr. L. J. LADNER (Vancouver South): I would like to ask the Minister of Customs if there is any new order or regulation affecting the export of liquor from Ontario to the United States.

Hon. W. D. EULER (Minister of Customs and Excise): There is no such order whatever.

GEORGIAN BAY CANAL

On the Orders of the Day.

Mr. F. G. SANDERSON (South Perth): I beg leave to present to the House a certified copy of a resolution passed by the town council of St. Marys, Ontario, on March 21 last—

Some hon. MEMBERS: Order.

Mr. SANDERSON: —re Bill No. 78, respecting the Montreal, Ottawa and Georgian Bay Canal Company.

Mr. SPEAKER: Order.

PENSION LEGISLATION

On the Orders of the Day.

Mr. JOHN EVANS (Rosetown): I would like to ask the government if it is the intention this year to bring down any legislation to correct discrepancies in certain statutes regarding ex-service men and their dependents, or if the matter is to be shelved again so that parliament may prorogue at an early date.

Hon. J. H. KING (Minister of Health): In making an announcement respecting pension legislation I may say that several features have been taken into consideration. In the first place the Pension Act that was originally drawn up in 1919 was amended in 1920, 1921, 1922, 1923, 1924, and 1925. On several occasions these amendments were the result of long deliberation by special parliamentary committees appointed for the purpose, and on one occasion the result of a protracted investigation of general reëstablishment measures by a royal commission appointed in 1922, the final report of that commission being submitted to the government as late as 1924. The important feature of all the above is that the Pension Act has received the very close attention of parliament during past years.

This year there have been presented to me by various soldier organizations, resolutions asking mainly for additional benefits to be provided by change in the regulations of the Department of Soldiers' Civil Re-establishment and the Board of Pension Commissioners, and additional benefits to be provided under the Pension Act. The total number of these resolutions is approaching two hundred, of which more than fifty suggest changes in the pension legislation.

I also call the attention of the House to the fact that there was recently inserted in the Pension Act a meritorious clause under which cases of real merit or hardship can be awarded pension at the discretion of the Board of Pension Commissioners and the Federal Appeal Board, even though such cases are not provided for under the ordinary terms of the Pension Act. I may say that already a number of pensions have been awarded under this provision.

I do not think the members and the country generally fully appreciate the nature and extent of the numerous proposals which have been made. Many of these suggestions involve ramifications which can be foreseen only after careful and detailed examination. There are extended commitments involved and there must be a thorough canvass of the effect on other classes not dealt with. It would be apparent I think to anyone who read the accumulation of material which has come to me during this session that there could be no fair opportunity during a session of parliament for the government to give the con-

sideration and thought which matters of this kind deserve. I may say that in the recess, attention will be given to the practicability of a consolidation of the Pension Act, and these proposals involving statutory changes will be considered in that connection.

In the meantime, I think that some of the suggestions may be found to be quite possible of being dealt with by administrative rather than legislative action and I propose to consider that method of procedure.

I can also say, and I feel sure that this will be regarded as of very great importance by those who are interested in these matters, that while the government cannot at this session consider extending the principles upon which pensions are granted, they have under consideration amendments relating more or less to procedure, one of which will deal with the extension for a further term of two years of the period within which applications for pensions may be received. It is my purpose to move this amendment when bill No. 234 is again in committee.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): The minister spoke of administrative action. Is any interim provision likely to be made for handicapped men?

Mr. KING (Kootenay): That matter is one that is always before the department, and ways and means are being sought from time to time to provide for these handicapped men.

Mr. R. B. HANSON (York-Sunbury) May I ask the minister if there has been a definite promise made to the representatives of the ex-service men that legislation would be brought in this year?

Mr. KING (Kootenay): No.

Mr. H. E. SPENCER (Battle River): Can the minister assure the House, in view of his statement that amendments to the Pension Act will not be brought down this session, that they will be brought down early next session?

Mr. KING (Kootenay): I would say this, that if the government after an opportunity of reviewing the material that has been presented to it, is of the opinion that legislation should follow, we will be in a position to bring it before the House early next session.

Hon. R. J. MANION (Fort William): I sympathize a good deal with the attitude the minister takes in this matter. There are certainly a lot of demands, and it is a very busy time to deal with them during the session of parliament, but in view of that, and the fact that the appeal board is nearly a year in arrears, what puzzles me is that the minister should bring in a bill to lessen the number of the appeal board.

Mr. KING (Kootenay): The bill does not limit the number.

Mr. MANION: It does not necessarily, but it gives power to the government to lessen the number of the appeal board.

Mr. KING (Kootenay): Bill No. 234 empowers the government to appoint commissioners for a term of five years, and leaves it within their power to reduce the number or to keep it as it is at present.

PRIVILEGE—MR. BEAUBIEN

On the Orders of the Day:

Mr. A. L. BEAUBIEN (Provencher): Mr. Speaker, I rise to a question of privilege in connection with an article in this morning's Ottawa Citizen headed "Western M.P. is Planning Move to Kill Canal Bill". It goes on to say that "Mr. Bissett, Liberal member for Provencher" is presenting a resolution in favour of a royal commission. I wish to state, first, that Mr. Bissett is not the member for Provencher, although he would certainly be worthy of representing that historic county, and secondly that this article is as inaccurate as an editorial appearing in the same paper yesterday morning criticizing the Liberal-Progressives.

BUSINESS OF THE HOUSE

RULE GOVERNING THE PRESENTATION OF PETITIONS TO PARLIAMENT

On the Orders of the Day:

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, I just want to mention a matter of order. There was presented to-day by my hon. friend from South Perth (Mr. Sanderson) the resolution of a town council. Your Honour has on several occasions this session ruled such matters out of order when presented from this side of the House. I think the rule should be made known and established that all who wish to petition parliament may do so, but that they must comply with the rule, and that resolutions will not be received.

Mr. SPEAKER: The rule is well known and must be adhered to. This was simply a resolution, and I would have declared it out of order, but there was so much conversation in the House at the time that I could not hear what the hon. member was saying.

Mr. F. G. SANDERSON (South Perth): If the hon. leader of the opposition (Mr. Guthrie) had heard that resolution read, which he did not, I do not think he would have made any objection to it.

Mr. GUTHRIE: Yes, I object to the form entirely.

Mr. SPEAKER: Only by petition can outsiders address themselves to parliament.

CANADIAN NATIONAL RAILWAYS—ROSEDALE BRANCH

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved that the House go into committee on Bill No. 178, to amend an act respecting the construction of the Canadian National Railway line being a joint section from Rosedale southeasterly, in the province of Alberta.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Section 1 agreed to.

On the preamble.

Mr. GARDINER: Can the minister inform the House whether the agreement in regard to this joint section between the two companies has been signed?

Mr. DUNNING: As I explained in the committee, the agreement has not been signed, but the negotiations, I am informed, are nearing completion.

Preamble agreed to.

Bill reported, read the third time and passed.

COMPENSATION TO GOVERNMENT EMPLOYEES

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved the second reading of Bill No. 227, to amend an act to provide compensation where employees of His Majesty are killed or suffer injuries while performing their duties.

Motion agreed to, bill read the second time, considered in committee, reported, read the third time and passed.

LOAN COMPANIES ACT AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee on Bill No. 49 to amend the Loan Companies Act, 1914.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Section 1 agreed to.

On section 2—Limitation of borrowing powers.

Mr. GUTHRIE: This section was amended, was it not?

The CHAIRMAN: Yes.

[Mr. Sanderson.]

Mr. GUTHRIE: What is the amendment?

The CHAIRMAN: It was amended in committee by striking out all the words in subsection (a) of this section, line 10, down to the word "called" in line 22, and substituting therefor the following:

(a) A notice of the by-law and of the meeting of the shareholders called to approve the same, shall be published in four consecutive issues of the Canada Gazette and in four consecutive weekly issues of a newspaper printed in every city or town in Canada where the company has its head office or a branch office, and the said notice shall also be sent and given by registered mail to every registered debenture holder, whether resident within or outside of Canada, and to the chief agent or chief agents of the company for the sale of debentures of the company outside of Canada, at least sixty days before the date for which the said meeting is called.

Mr. CANNON: Section 2 provided that companies should be entitled to increase their borrowing power to eight times their capital and reserve. Under the present act it is fixed at four times. An amendment was carried which fixed it at five times.

Mr. GUTHRIE: In the original proposal the borrowing power was fixed at eight times?

Mr. CANNON: Yes.

Mr. GUTHRIE: The committee reduced it to five?

Mr. CANNON: Yes.

Mr. GUTHRIE: Has the government considered the suggestion to make it six times as a fair compromise?

Mr. ROBB: The government has no objection to make it six times; indeed we advised that. In the case of many other companies there is no limit. It is purely a question of practical demonstration, but we could not re-open it in the committee. I understood there was fair unanimity with regard to the proposition to make it six times, and the government offers no objection to that if it is desired.

Mr. GUTHRIE: If there is no objection to it, I move that the word "five" be struck out and the word "six" inserted in lieu thereof.

Mr. GARDINER: When the matter was before the committee a good deal of objection was taken to the provision in the bill as first introduced for increasing the borrowing power to eight times the capital. The committee discussed this matter very thoroughly and arrived at a compromise decision to allow the company to increase the borrowing

power from four times to five times. I would like to point out that, with the exception of one company, none of the other companies have come anywhere near using the privilege they now have, which is a borrowing power to the extent of four times the paid-up capital. I think we should leave the figure at five, because we must remember these companies can increase their borrowing power by increasing their capital stock, and it appeared to the committee that five times would be quite sufficient.

Mr. ROSS (Moose Jaw): If I remember correctly, in the committtee there was an amendment moved to increase it to six times. The trouble in committee as I recall it was this: several of the members of the committee wished to have it eight times and some did not wish to have the figure as high as six times. In the first place a vote was taken on the proposition to fix the figure at six; those wishing to have it placed at eight, and those wishing to have it fixed at less than six all voted against the amendment, another amendment could not be moved and the amendment to have it placed at five was carried. I believe that had it been possible at first to vote on the question as to whether the committee would allow eight times, that motion would have been defeated, and a motion to have it placed at six would have carried. I agree with the leader of the opposition that it should be six.

Mr. CARMICHAEL: I think the hon. member for Moose Jaw is quite correct. I believe I was the member who moved the amendment that five be substituted for eight. The first amendment proposing to substitute six for eight was the one that most of us favoured. That was voted down and the other amendment, making it five, was carried. I think six would be more acceptable to the loan companies than five, and I recall that the Finance minister in our committee said that either six or five in place of eight, would be quite acceptable to him. So that as the one who moved the amendment to insert "five" instead of "eight", I may say that it would be acceptable to me to substitute "six" for "five".

Amendment agreed to.

Section as amended agreed to.

On section 3—License must be obtained—Conditions for granting etc.

Mr. RYCKMAN: Mr. Chairman, I wish to record my objection to this clause on the ground that it is ultra vires of the parliament of Canada. A most respectful request has been addressed to the government to have this question determined before the bill becomes law, and I think the request should be granted. As expressed by the resolution supported by the premiers of all the provinces when they recently met, they are united in the view that this provision is within the purview of the provinces. Its enactment therefore will precipitate litigation, the result of which, following cases of an analogous character that have already been determined by the courts, must be against the clause. I am unwilling to assist in the passing of laws that subsequently may be found to be ultra vires of this parliament, and as the point in doubt could be cleared up in a short time, I think the clause should be submitted to the Supreme court.

Section agreed to.

Sections 4 to 6, inclusive, agreed to.

On the preamble.

Mr. CAHAN: Mr. Chairman, I simply wish to register my position in regard to this bill. I stated it clearly in the committee, and I will state it now in this House. In my view the vesting in the Department of Finance of the annual licensing of loan and mortgage companies, with power for the same department to cancel those licenses, places upon it and upon the government responsibility for preserving the solvency of such companies incorporated under Dominion statute, and makes the department the guardian of the interests of all the creditors of those companies. This policy in this as in many other cases will, I have no doubt, lead in the future to repeated applications to parliament for reimbursement of losses upon insolvency. I am entirely opposed to such a policy. I have discussed it at length in the committee, and I wish now simply to register my objection to it.

Preamble agreed to.

Bill reported, read the third time and passed.

WINDING-UP ACT AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee on Bill No. 51 to amend the Winding-up Act.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

On section 1—Subject to Part III.

Mr. GUTHRIE: Was this bill considered by the banking and commerce committee?

Mr. CANNON: Yes. I may be allowed to explain the object of the bill. In the

Winding-up Act a sort of preference is given to policyholders residing in Canada. This bill places all policyholders, whether living in Canada or elsewhere, in the same position when a company is wound up.

Section 1 agreed to.

On section 2—Application to life insurance, etc.

The CHAIRMAN: In line 15 on the second page the word "sixty" has been changed to "ninety."

Mr. CANNON: That is to extend the time for notices in order to make sure that all the interested parties will be reached.

Mr. CAHAN: Mr. Chairman, I wish simply to state my objection also to this bill. It purports to take from the courts the power of declaring when a company is insolvent. Under the Winding-up Act the insolvency of a company is always a matter for judicial decision, and, before that decision is given, all parties in interest are afforded an opportunity to be heard in a judicial proceeding, whereupon judgment is given as to whether it has been clearly shown that the company is insolvent and should be wound up. This bill, together with the Insurance Act of 1917, makes it impossible for a company to carry on business except under an annual license from the department. I think that is a wrong departure, and that it is very likely ultra vires of this parliament to enact such provisions. As to whether the act of 1917 in that respect is within the powers of the parliament of Canada to enact should be judicially determined at the earliest possible date. At the present time there is a majority decision of the highest appellate court of Ontario declaring that similar licensing provisions are ultra vires. But the second point is this. When an official of the Department of Finance has declared that in his opinion the license of the company should not be renewed, the fact of the official's refusal to renew the license is taken as evidence, complete and final, that the company is insolvent. In such a case it no longer remains a matter for judicial decision as to whether the company is or is not insolvent; it is in fact decided to be insolvent by an official of the department who is utterly unqualified to exercise such a discretion, and who has not the judicial experience necessary to enable him to decide the question. I admit at once that this matter has passed the standing committee, but I regard it as most pernicious legislation in this respect. I think it is far better that the decision as to whether a company is solvent or insolvent should be left entirely to the courts; it should not depend upon a discretionary decision, as to the renewal of the license, to be given by an official of the department who, as I say, is without experience, or to be given by any political agency such as the government of the country or any department thereof.

[Mr. Cannon.]

Section agreed to.

Bill reported, read the third time and passed.

TRUST COMPANIES ACT, 1914, AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee on Bill No. 52, to amend the Trust Companies Act, 1914.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

On section 1—License must be obtained.

Mr. CAHAN: I wish to register the same objection to this bill as I raised in connection with the previous one. I regard it as the most pernicious legislation that could possibly be placed on the statute book, to provide that the life of insurance companies, loan and mortgage companies and trust companies should be continued from year to year subject to an annual license to be granted by the minister or by any permanent official of the Department of Finance. In order to carry on the class of business which these companies do carry on it is absolutely necessary that they should make provision not for one year but for many years, and this attempt to bring these companies under political control, by providing that after they are incorporated by statute of this parliament their continued existence shall be in the control of political heads of political departments, is most pernicious. It is on its face obviously an attempt to bring the entire financial operations of financial companies throughout the length and breadth of the country under the control of a department of the government. That, I repeat, is pernicious and it will be found to be so. It promises so many evil results that I take a longer time than I otherwise would to point out some of these evils in detail. Let me mention one of them. As in the case of the claims of the Farmers bank and the Home bank, this bill makes the minister the guardian of the interests of the creditors of all the trust companies incorporated by the Dominion of Canada. That guardianship cannot be carefully and efficiently exercised by any officials whom that department now has in its employ, and if by their negligence or their inefficiency, if through any default

of theirs, conscious or unconscious, these companies become insolvent, the creditors of such companies will have an even stronger claim for reimbursement from the treasury of Canada than had the depositors of the Home bank. This legislation is simply piling up trouble for the future and creating, against the treasury of the country, a vast number of claims for reimbursement from the treasury for which precedents have already been established. Having stated that, I have nothing further to say except to register a general objection to the bill.

Section agreed to.

Bill reported, read the third time and passed.

SALE AND INSPECTION OF AGRICULTURAL ECONOMIC POISONS

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to regulate the sale and inspection of poisons represented as a means for preventing, destroying, repelling or mitigating fungi, weeds, insects, rodents, or other plant or animal pest, collectively or individually affecting agriculture, and to provide for registration, the payment of fees thereon, and penalties for infraction of the act.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. MOTHERWELL: This is a resolution upon which a bill is to be based that will be referred to the committee on agriculture. It deals with agricultural poisons such as potato and apple sprays, and insecticides and fungicides generally. It is proposed to enact this bill very much after the manner of the act respecting fertilizers, and it will be regulatory in its character. Certain penalties will be provided for infractions of the law, and authority will be given to make regulations.

Mr. McGIBBON: Has there been no control at all over these matters in the past?

Mr. MOTHERWELL: No, there has been no legislation with respect to them in the past. These poisons are exclusive of poisons handled by medical men, veterinarians and druggists.

Mr. GARDINER: What is contemplated by "controlling the sale" under this resolution?

Mr. MOTHERWELL: Well, all those who have these poisons for sale will have to be registered.

Mr. GARDINER: That is the point I want to get at. In western Canada, for example, the municipalities sometimes secure and sell strychnine for the destruction of gophers. Would they have to be registered?

Mr. MOTHERWELL: The poisons include those for the destruction of rodents, gophers and the like. Some of the poisons that have been on the market in the past are, it is claimed, more conducive to fattening the gophers than killing them.

Mr. GARDINER: The minister did not catch my point. I am asking particularly with respect to municipalities in western Canada. Will they have to be registered under this act, the same as druggists, if they sell gopher poisons?

Mr. MOTHERWELL: If they sell poisons by retail I presume they will have to come under the act. I forget the terms of the bill, whether they make that plain or not, but all retail dealers selling these poisons will be expected to register. However, when the bill goes to committee that point will be elucidated.

Mr. GARDINER: I should like to say for the information of the minister that in western Canada we formerly had to pay a high price for gopher poison, and the government of Saskatchewan passed legislation to allow the municipalities to secure the poison and sell it to residents. All I want to make sure of is that provision be made that these municipalities may buy and resell this poison.

Mr. MOTHERWELL: When the bill goes to the committee on agriculture there will be ample opportunity to consider its provisions.

Sir GEORGE PERLEY: What is the object of this proposition? Is it to protect the gophers who have been provided wth poison, or something called poison, which fattens them? What is the purpose of this proposed legislation?

Mr. MOTHERWELL: My hon. friend wants to make a little fun about this matter.

Sir GEORGE PERLEY: Not at all.

Mr. MOTHERWELL: The chief industries that have asked for this provision, and have been doing so for three or four years, are the fruit growers and the potato growers of Canada. Their sprays are of vital importance to them. Unless they are able to spray successfully their fruit and potatoes it is all day with those products. We want it to be all day with the gophers and the bugs rather than the fruit and potato crops. That is the purpose of the proposed bill.

Sir GEORGE PERLEY: Does the minister mean that the sprays that have been sent out for use in orchards have not been of any value, or that they have been dangerous when used?

Mr. MOTHERWELL: There has been no law in the past regulating the component parts of these poisons to determine whether they were poisonous or whether they were really foods. The result is that growers have been spraying their apple trees, and sometimes their potatoes, with preparations which were not posionous at all, and sometimes, as a result of spraying with ineffective poisons, they lost their crop. It is proposed to enact that those who undertake to sell such poisons shall put up preparations that are what they purport to be and that will be effective.

Mr. HANSON: I should like to back up what the minister has said. Fruit growers associations, I think, have been endeavouring to get this legislation put through for the last two or three years. I am glad the minister is introducing a bill of this kind, and I hope it will be effective for the purpose for which it is intended.

Mr. ILSLEY: Is it intended to compel the manufacturers of fungicides and insecticides to put on the package the chemical analysis of the article?

Mr. MOTHERWELL: Approved analysts will be appointed to whom samples suspected of not being up to the mark will be submitted for analysis. I suggest that we can proceed more satisfactorily if we consider the bill in committee.

Mr. ILSLEY: I desired to call that point to the attention of the minister because I know that is what the fruit growers of Nova Scotia are demanding. They wish provisions to be enacted similar to those existing with regard to the sale of fertilizers. They regard this matter as very much akin to that of fertilizers.

Mr. MOTHERWELL: Not only have some of the insecticides and fungicides proved useless, but many have proved exceedingly injurious and have destroyed the foliage of trees.

Mr. McGIBBON: I presume that when the minister refers to the appointment of analysts he has reference to some of the men already in the employ of the government?

Mr. MOTHERWELL: In the case of a number of acts like those dealing with feeds and fertilizers there is provision for the appointment of what we call approved analysts. There is no salary connected with the position, but the public will know that these men are recognized by the department as properly qualified approved analysts.

Mr. HANSON: Is it the intention of the department to set up a bureau to handle this matter? I did not understand that there were any such new officials to be appointed?

Mr. MOTHERWELL: No.

Resolution reported, read the second time, and concurred in. Mr. Motherwell thereupon moved for leave to introduce Bill No. 257, to regulate the sale and inspection of agricultural economic poisons.

Motion agreed to and bill read the first time.

Mr. SPEAKER: When shall said bill be read a second time?

Mr. MOTHERWELL: I beg to move that the bill be now read the second time.

Sir GEORGE PERLEY: Has the bill been printed yet?

Mr. MACKENZIE KING: It has been printed and the idea is to send it to the committee on agriculture.

Mr. CAHAN: Is the bill available so that members may read it?

Mr. SPEAKER: The bill has been printed.

Mr. CAHAN: It has not been distributed, I think.

Mr. SPEAKER: It has been printed but not distributed.

Sir GEORGE PERLEY: It is to go to the committee on agriculture?

Mr. MACKENZIE KING: The purpose of asking for the second reading is to permit of the bill going to the committee on agriculture.

Motion agreed to, bill read the second time and referred to the select standing committee on agriculture and colonization.

MARINE AND FISHERIES DEPARTMENT

DIVISION INTO TWO BRANCHES WITH SEPARATE DEPUTY MINISTERS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend the act respecting the Department of Marine and Fisheries to provide that the department shall consist of the

Marine branch and the Fisheries branch, and that two officers may be appointed by the governor in council as Deputy Minister of Marine and Deputy Minister of Fisheries, respectively.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. HANSON: Is it the intention to appoint to the position of Deputy Minister of Fisheries an official presently in the employ of the department or some outside person?

Mr. MACKENZIE KING: Beyond saying that the government will endeavour to make the best appointment possible, I am afraid I cannot give my hon. friend any information.

Mr. HANSON: That of course is no answer at all. I should like to know. A great deal of the good that we hope will come from this division of the department and the setting up of a new Deputy Minister of Fisheries will depend upon the person of the official appointed. If it is intended to make a political appointment, we shall not gain the effect that was intended to be gained by the Duncan report. If behind this move there is the intention to do what the members of the Duncan commission sought to accomplish, a great deal of good will be achieved and I heartily endorse the proposal. I believe that to be the crux of the situation. If a political appointment is to be made, the purpose of the legislation will be defeated. If the reverse is the case, I will welcome the legislation and I am sure it will be welcomed by the maritimes.

Mr. MACKENZIE KING: The purpose of the resolution is to carry out the recommendation of the Commission on Maritime Claims. Until the legislation is passed, in the nature of things, the government will not have before it the consideration of the appointment of a deputy. That is all I wished to imply in my reply, but an effort will be made to secure the best person possible.

Mr. GARDINER: Will this entail the appointment of a new minister of the crown?

Mr. MACKENZIE KING: At the present time it will not. I should like to have it understood that later on the government may bring in a measure to create a separate department of fisheries.

Mr. HANSON: I do not think that has ever been asked for as a business proposition by the people of the maritime provinces. We are already over-governed in this country. We have too many political heads of departments in Canada now and the cabinet could very well be reduced in numbers. I think the Prime Minister, in some lucid moments which he has had in days gone by, has agreed to that proposal He would like to reduce the number, but political exigency and expediency are such that, instead of the number of portfolios in this country being reduced, they are constantly being increased, with the result that we are top-heavy in the departments of government. There is no demand in the maritime provinces for the appointment of a political head, but there is a genuine demand for the appointment of a competent deputy who will give his whole time to the functions of the department.

Resolutions reported, read the second time and concurred in. Mr. Mackenzie King thereupon moved for leave to introduce Bill No. 258, to amend the act respecting the Department of Marine and Fisheries.

Motion agreed to and bill read the first and second time.

Mr. MACKENZIE KING moved that the House go into committee on the bill.

Mr. HANSON: Has the bill been printed?

Mr. MACKENZIE KING: Yes, it is in printed form.

Mr. GARDINER: I would suggest that we do not go into committee until we have an opportunity of reading the bill.

Motion stands.

POST OFFICE ACT AMENDMENT

POSTAGE RATES ON NEWSPAPERS AND PERIODICALS

Hon. P. J. VENIOT (Postmaster General) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend the Post Office Act and to reduce the postage rate on certain newspapers and periodicals from one and one-half cents to one cent.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: Is the rate per one hundred pounds or per pound?

Mr. VENIOT: Per pound.

Mr. GARDINER: Will the Postmaster General kindly explain the purport of the resolutions and also what classes of newspapers and periodicals it applies to?

Mr. VENIOT: Under the present act certain classes of newspapers and periodicals are

charged one and one-half cents a pound. Subsection (3) of section 53 of the old act reads:

Newspapers and periodicals which are required to be transmitted for a greater distance than is mentioned in the last preceding section—

That is forty miles.

—or the publication of which is of greater frequency than once a week, and the newspapers and periodicals described in the immediately preceding sub-section, upon any copies in excess of the circulation of 2,500 copies, shall be subject to postage at the rate of three-quarters of a cent on and after the first day of January, one thousand nine hundred and twenty-one, and until the first day of January, one thousand nine hundred and twenty-two, and one and one-half cents thereafter, for each pound weight or any fraction of a pound weight, and such postage shall be prepaid by postage stamps or otherwise as the Postmaster General from time to time directs.

With reference to those newspapers and periodicals, the rate is changed from one and one-half cents to one cent per pound.

Mr. HANSON: Will that reduce the rate below the cost of carriage?

Mr. VENIOT: The rate is somewhat below the cost of carriage now. I may say that the reason for this is that the Post Office Department is losing revenue because owing to the high rate of one and one-half cents per pound for delivery of newspapers specified in subsection 3, the large dailies especially are now using motor trucks to deliver their papers for a distance of thirty and forty miles, and in some cases they are sending large parcels by freight, and in other cases by express. With the rate reduced to one cent a pound, the post office will get an increased volume of business because these papers will refrain from using these motor trucks in order to send these parcels out. We anticipiate that the revenue will be increased, owing to the volume carried, to such an extent that whatever deficit there may be at the present time will not be increased.

Mr. GUTHRIE: Do you not carry them free now up to forty miles?

Mr. VENIOT: Not these papers; weeklies. I will read the section that refers to the other class of newspapers:

(2) Newspapers and periodicals published not more frequently than once a week in any city, town or village which has a population of not more than ten thousand persons shall be entitled to be transmitted by mail free of postage to the extent of a circulation of 2,500 copies per issue within a distance of forty miles from their place of publication.

[Mr. Veniot.]

Resolution reported, read the second time and concurred in. Mr. Veniot thereupon moved for leave to introduce Bill No. 259, to amend the Post Office Act.

Motion agreed to, bill read the first and second time, and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Postage rates on certain newspapers and periodicals reduced from 1½ cents to one cent.

Mr. GARDINER: Mr. Chairman, will you kindly see that the bill is distributed before we proceed?

Mr. VENIOT: The bills have been printed; they should be distributed, but as apparently they are not, I am willing to move that the committee rise.

Sir GEORGE PERLEY: I am not objecting to this proposed change in the law at all, but I want to comment on what the hon. minister said when we were in committee on the resolution. We are carrying these papers now for one cent and a half a pound at a loss, and the minister puts up the argument that by carrying them for one cent we are not going to make so big a loss. It may be true that with this decreased rate the newspapers will not use motor trucks so much or send so many of their newspapers by express, but it is an extraordinary argument to say that because you are losing money carrying them for one cent and a half, you will carry them for one cent, in order not to lose so much. The hon. gentleman would never apply that principle to any private business that he controlled himself. He would never say in regard to his own business: In order to reduce my loss, I am going to carry these papers for one cent; in that way I shall do a larger volume of business, and my loss will be less than it is now.

Mr. VENIOT: I can give the hon. gentleman an example in connection with the Post Office Department. Before the letter postage was reduced some years ago from three cents to two cents, there was a defiicit in the Post Office Department, but inside of two years from decreasing the rate there was a surplus of $450,000, owing to the increased volume of business, and that is what I anticipate in this connection.

Sir GEORGE PERLEY: I submit that that is hardly a fair argument, because you were not paying the railways all the revenue you were getting for carrying the letters. The

reason that you had a deficit there was that you had not enough business. You were not paying the railways more than you were getting from the public for carrying their letters, but in this case you are paying the railways more than you are getting from the newspapers for carrying their papers.

Mr. VENIOT: We are not paying the railways more exactly. If the hon. gentleman understood the situation better, he would not object. The whole of the cost is not the railway transportation. It is in the distribution by rail and otherwise through the Post Office Department. The railway transportation is not the whole cost.

Mr. McGIBBON: If I understand the working of the minister's department correctly, the low rate given for the distribution of magazines, catalogues, and such like is applicable for a distance of thirty or forty miles, and in my town I have seen carloads of magazines coming by train and motor truck and being dumped into the post office, making a large amount of extra work for which the officials of the post office are not being paid anything extra, and through which the country must lose a considerable revenue. I would ask the minister if he has ever considered modifying that regulation in order to increase the revenue of his department.

Mr. VENIOT: While I was considering this amendment I had a discussion with some of our mail superintendents along those very lines, and the matter is being looked into, but I am not in a position to state that anything definite will be done this session. I think there are certain privileges granted under the Post Office Act that ought to be modified in regard to the distribution not only of certain periodicals but of advertising matter as well

Mr. GARDINER: I would suggest to the Postmaster General that, when the bill comes before the committee again, he have such information at his hand as can be obtained in the department, to show what the carrying of newspapers costs this country as well as any loss sustained.

Mr. VENIOT: I can give that information now, but perhaps I had better wait until the matter is before the House again.

Mr. HANSON: Would the minister obtain the cost of carrying on the business of the mail order houses, which are greatly injuring the retail trade of this country?

Mr. VENIOT: There is no greater privilege given to the mail order houses than is given to any other wholesale or retail stores for their mail order business.

Mr. McGIBBON: Except it is given for limited distribution.

Progress reported.

DOMINION ELECTIONS ACT AMENDMENT

APPOINTMENT AND SALARY OF THE CHIEF ELECTORAL OFFICER

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Dominion Elections Act and to provide that the chief electoral officer shall be appointed by resolution of the House of Commons, and shall be paid a salary of six thousand dollars per annum.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. GUTHRIE: I would like a word of explanation.

Mr. CANNON: The Dominon Elections Act, section 19, says:

Mr. Oliver Mowat Biggar, of the city of Ottawa, one of His Majesty's counsel, is hereby appointed Chief Electoral Officer.

Colonel Biggar, as every hon. member of the House will agree, has given full satisfaction in the performance of his duties. He has intimated to the government that he intends to relinquish his post, and notwithstanding representations made to him, he has persisted in that intention. Therefore it is now necessary to provide for his successor. The section of the act naming him as Chief Electoral Officer will require to be amended, in order that we may now appoint someone to perform his duties. The bill which will be introduced following this resolution will have two objects; first, to see that in future the Chief Electorial Officer shall be appointed, not by the government but by the House of Commons, and a resolution will be introduced this session to provide for the appointment of a person to replace Colonel Biggar. The present Chief Electoral Officer is in receipt of a salary of $12,000 a year, the salary now paid to a judge of the Supreme court, having the same standing as a judge of the Supreme court, by the wording of the act. Besides his duties as Chief Electoral Officer, paragraph (d) of section 19 says:

Subject to the performance of the foregoing duties, act as counsel for the crown or the attorney general in such causes, prepare such opinions, and make such inquiries as the Governor in Council may from time to time direct.

It is not the intention of the government to require the new Chief Electoral Officer, in addition to his duties as Chief Electoral Officer, to perform duties as counsel for the government, and that is the reason why the salary, instead of being $12,000, will be reduced to $6,000.

Mr. GUTHRIE: When the present Elections Act was passed in the House, I think in 1921, I happened to have charge of it, and I remember well this section under which the Chief Electoral Officer was originally appointed. He was appointed, I might inform the committee, under practically a joint arrangement or recommendation made between myself, representing the then government, and my right hon. friend representing the then opposition. I remember that we consulted in regard to the person who should be appointed to this position, and it was mutually agreed that Colonel Biggar would be an admirable man. I suggest to the government that there should be some consultation before any names are submitted in the present instance, and I fancy the government will probably follow that course, because I realized when the original act was passed that we were laying down a principle for the future. It is very important that the person appointed to fill this position should not only be an outstanding man, as far as possible removed from party politics, but a man who has the confidence of all parties in the House. I am satisfied there are many such available for the position. In the case of Colonel Biggar it was considered at that time that, as the government had a great deal of litigation, it would be an excellent thing to have a man who could be utilized as government counsel. I do not know that the work in that respect is as great now as it was after the conclusion of the war, and the necessity for having a government counsel may not exist at the present time to such an extent at all events as it did at that time. I would also suggest to the government, that when they come to the question of selecting the appointee, the principle of promotion should not be overlooked. With these remarks I have no objection to the resolution being carried in its present form.

Mr. MACKENZIE KING: I might say that I agree entirely with the hon. the leader of the opposition as to the course of procedure. The intention of the government is to have a conference in advance between the leaders of the parties, and if possible to agree upon a name. I also agree with my hon. friend that where it is possible to recognize merit in the appointment this should be done.

With respect to the services of government counsel I might say that the government would hesitate to dispense with the professional services of Colonel Biggar, were it not that the Solicitor General has undertaken to carry on the work performed by Colonel Biggar as government counsel. I think it advisable to let the House know that the hon. the Solicitor General is undertaking, on behalf of the government much of the professional work which formerly was assigned to the Chief Electoral Officer.

Mr. CAHAN: What will be the tenure of office of the new appointee? Is that regulated by the existing statute, or will it be regulated by the amendment?

Mr. MACKENZIE KING: It will be the same as heretofore.

Mr. GUTHRIE: His tenure of office is the same as that of a Supreme court judge; he is removable only on an address to parliament.

Mr. ROSS (Moose Jaw): Does the government intend to amend any other part of the Elections Act?

Mr. MACKENZIE KING: Not this session.

Mr. CANNON: I have the bill here. The only change, in section 19, as pointed out by the leader of the opposition, will be in relation to Colonel Biggar, stating that the Chief Electoral Officer will be appointed by a resolution of the House of Commons. Therefore the Chief Electoral Officer will remain in office according to the remaining paragraph of the section.

Mr. HANSON: Having regard to the fact that the Chief Electoral Officer has the status of a Supreme court judge, does the Prime Minister think that he can get a man for the salary of $6,000 who would be of such character and standing as to command the confidence of the whole country?

Mr. MACKENZIE KING: The status of a Supreme court judge had reference, I think, to the circumstance that Colonel Biggar was recognized as having a very high standing in his profession. The present intention is to

have regard primarily to the capability of the appointee to fill the position of Chief Electoral Officer, not the position as well of government counsel.

Resolution reported, read the second time and concurred in. Mr. Cannon thereupon moved for leave to introduce Bill No. 260 to amend the Dominion Elections Act.

Motion agreed to and bill read the first time.

FRUIT ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved the second reading of Bill No. 228 to amend the Fruit Act.

Motion agreed to, bill read the second time and referred to the select standing committee on agriculture and colonization.

LIVE STOCK AND LIVE STOK PRODUCTS ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved the second reading of Bill No. 229 to amend the Live Stock and Live Stock Products Act, 1923.

Motion agreed to, bill read the second time and referred to the select standing committee on agriculture and colonization.

CIVIL SERVICE SUPERANNUATION ACT AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved the second reading of Bill No. 231, to amend the Civil Service Superannuation Act, 1924.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—"Misconduct."

Mr. HANSON: Mr. Chairman, for the benefit of those who were not here when the resolution preceding this bill was introduced, will the minister be good enough to state shortly its purport?

Mr. ROBB: Yes. The bill is to correct some of the anomalies and defects that have developed since the act was passed three years ago. The time for taking advantage of the act is extended to July of this year. My hon. friend will recall that a measure for this purpose was brought in last session, but failed to pass the Senate.

Mr. HANSON: Is there any extension of the principle of superannuation?

Mr. ROBB: No.

Mr. MacLAREN: Mr. Chairman, is it proposd to extend superannuation to officers in the government marine service? I understand that those officers are not included in the civil service, nor have they the benefit of superannuation or pensions.

Mr. ROBB: Perhaps progress will be expedited by my explaining to the House that the superannuation scheme is based on contributions by civil servants, which are calculated on an actuarial basis. Any departure from the scheme will add to the cost; for instance, if the scope of the act should be widened in such a way as to change the prospective length of service basis. Such a departure would be brought about by including employees occupying obviously temporary positions liable to be terminated at any time; employees paid otherwise than on the basis of a stated annual salary; employees occupying positions which, though technically permanent, are not so. In other words, the act is not intended to include any employees whose sudden withdrawal from the service would impose unexpected demands on the funds. If the basis of the superannuation scheme were widened as I have stated, or in any other way not contemplated by the framers of the act, then undoubtedly it would be necessary either to increase the amount of contributions by the civil servants or for the government to bear a larger proportion than one-half the total cost of the scheme. So my hon. friend will see that to do what he suggests would be unfair to those who are already contributing to the scheme.

Mr. GARDINER: Do lighthouse keepers come under this act?

Mr. ROBB: Yes, those who are permanent.

Mr. GARDINER: On what basis are they retired?

Mr. ROBB: I know that a number of lighthouse keepers have to engage help and they have asked for an allowance on the basis of the contribution they have made, taking into account what they have paid out to their assistants during the season. The Department of Justice rules that this would not be actuarially sound and would not be fair to minor employees.

Mr. GARDINER: In such case how would the minister compute a fair salary to the lighthouse keeper himself in view of the fact that he has had to pay for help? Do you get a return from him showing what he has paid out?

Mr. ROBB: The computation is made on the basis of a return from the Department of Marine and Fisheries regarding the salary actually due the head lighthouse keeper himself.

Mr. MacLAREN: I understand that in the case of civil servants on the permanent staff who went overseas their absence during military service is counted in computing their superannuation. I believe that is correct. This however is not true of those on the temporary list, even though such employees may have been in the service of the government ten years or longer; the time they served overseas is not counted towards their superannuation.

Mr. ROBB: Is my hon. friend referring to employees on the permanent staff?

Mr. MacLAREN: I first stated what I understood to be the condition regarding permanent employees and I am contrasting that with the position of the non-permanent men. Although a man may have been in the service of the government for many years—ten years or more—the time he put in during the war is not counted, notwithstanding that he was given leave of absence by the department. It seems to me there is a good deal to be said for these temporary employees.

Mr. PETTIT: Does this bill make provision for men in the outside service, such as lock and bridge tenders, at the Welland canal?

Mr. ROBB: If they are on the permanent staff and come within the range of salary, and if they comply with other conditions relating to contributions.

Mr. PETTIT: What about those holding seasonal positions?

Mr. MacLAREN: Has the minister no comment to make on the point to which I have called his attention?

Mr. ROBB: All these cases are considered by the Department of Justice, who advise the department administering the act. On December 16, 1920, there was passed an order in council which was amended on October 31, 1921, laying down general regulations to give permanency, by means of what was known as the blanketing process, to temporary employees. That order in council remained in force until 1924 when the Civil Service Commission advised that it had been in operation long enough and should be rescinded. It was therefore cancelled. I know there has been some criticism of this blanketing method; those who were not included in the process at that time now claim to have a grievance. Let me direct the attention of the committee to certain provisions of the bill. Subsections 5 and 6 of section 8 provide:

(v) periods of past non-contributory service in or under any branch or portion of the public service of Canada which had ceased to exist prior to the coming into force of this act shall be counted for the purposes of this act.

(vi) persons whose duties or employment are of a seasonal character shall be deemed to be civil servants within the meaning of this act and eligible to be contributors thereunder and their periods of work and of lay-off from the works shall be counted for the purpose of computing any allowance or gratuity under this act.

The foregoing provisions will, I think, meet the views advanced by my hon. friends.

Mr. ROSS (Kingston): I would submit the case of another class of employees, the caretakers of armouries under the Department of National Defence. Many of these men have been in the service of the government for twenty years and are to all intents and purposes permanent employees; yet they are compelled to submit to the injustice of having to put in a renewed application every six months for the positions they hold. I know of one man in Kingston who has been for twenty years in the one position and whom nobody would think for a moment of replacing. Surely such an employee ought to be made permanent.

Mr. GUTHRIE: Perhaps the Minister of National Defence (Mr. Ralston) will give some information regarding these caretakers.

Mr. ROBB: I should like to be advised in the matter. Do they work all day or only part of the time? We have not heard about it before.

Mr. ROSS (Kingston): They are permanently employed day in and day out, living in the armouries.

Mr. RALSTON: A long list of such cases has been submitted to me and I am trying if possible to find some means of putting this class of employees on a more permanent basis.

Mr. MARCIL: After the announcement made by the Secretary of State to-day I consider this a red letter day for government employees.

Mr. GUTHRIE: First of April.

Mr. MARCIL: Civil servants are to receive increases ranging from $60 to $120 and I wish now to speak for a class of employees

of whom there are a good many in my constituency. These people have served the government faithfully for a good many years, some of them for a quarter of a century. They did not contribute to any pensions fund and now they are left without any resource, and the government seems unable to do anything for these faithful servants. I should like to ask the minister whether it would not be possible to do something at the present time for people who had been in the employ of the government for fifteen, twenty or twenty-five years, but who did not contribute a penny to any superannuation fund, and are now practically penniless? Is there no authority under which provision can be made for such cases?

Mr. GUTHRIE: There is the Old Age Pension Act.

Mr. MARCIL: But I am referring to persons who are government employees. There are many such cases all over Canada, and I want to know from the Minister of Finance if there is not some authority in the existing laws whereby provision can be made for some of these cases?

An hon. MEMBER: What particular class?

Mr. MARCIL: I have in mind the case of one man who was agent on an Indian reserve for twenty or twenty-five years. He was a permanent official, but he was not asked to contribute anything to any superannuation fund. Now he is in straitened circumstances, and I thought there might be a provision in the law somewhere to take care of such a case as that. I understand that in the case of former ministers of the crown the Treasury Board has power to investigate when they are in necessitous circumstances and come to their relief. I was wondering whether it would not be possible, either under the existing law or by means of an amendment, to provide for cases of the particular nature that I have indicated.

Mr. ROBB: I do not know of any such provision in the act nor would I care to recommend the enactment of such a provision. I think it would be a very dangerous power to confer. The Treasury Board might be met with importunities that would be hard to resist politically and that could not be met on any sound actuarial basis.

With respect to the observations of my hon. friend from Kingston (Mr. Ross) that matter is under review. We shall have to see whether we can devise some method of treating such cases fairly, but I cannot make any commitment at the present time.

Mr. ROSS (Kingston): It is a very worthy case.

Mr. ROBB: Yes.

Mr. McGIBBON: I would draw the attention of the minister to the situation of a class of postmasters in this country who have been working on commission. I have in mind one such postmaster who has been in the service of the country for nearly sixty years. He is now carrying on with considerable difficulty because owing to the low salary which he derived from commissions, he was unable to lay by anything for his old age. To-day that man is in a very unhappy position. He is endeavouring to carry on but with very great difficulty. I wonder if the minister has ever considered providing for cases of this nature? The man I have in mind will never retire until death compels him to do so, and yet some provision should be made for him.

Mr. ROBB: I quite appreciate the position of my hon. friend's postmaster because I recall that at one time, when the present Speaker was Postmaster General, I brought to his attention the case of a postmaster in my own riding who claimed that he was the oldest living postmaster in Canada. However, under the act he could do nothing for that man at that time, and we cannot do anything now because these men do not come within the class of cases in which superannuation is allowed.

Mr. MALCOLM: I was chairman of the committee that made the recommendation on which the act was based. The act was designed to meet the case of new entrants to the service, but provision was made to allow those contributing under the previous superannuation acts to come in upon paying the difference in the contributions. At the time referred to strong representations were made with respect to unusual cases such as those to which the hon. member for Kingston (Mr. Ross) and the hon. member for Muskoka (Mr. McGibbon) have called attention, but those to whom the framing of the act was entrusted felt that the measure would be jeopardized if an attempt was made to provide for all such cases. I recall representations on behalf of some such servant as the hon. member for Kingston has spoken of, but he was under the Militia department and that department had its own pension system. I think there is a good deal to be said on behalf of old caretakers, however, and if the Superintendent of Insurance could frame a suitable amendment I would be glad to see the minister adopt it because the committee were certainly sympathetic to such cases.

Mr. McGIBBON: I ask the minister whether he does not think that it is in the interests of the public that cases of the kind I have indicated should be looked after. Men of that age cannot live very much longer; it is inevitable that they should disappear before very long. It does seem to me that something ought to be done to provide for persons in such a situation.

Mr. MARCIL: Supplementing what I have already said the Indian agent in the case to which I have referred was appointed at $150 a year. His salary was ultimately advanced to $300 but the department is paying $700 to-day to the agent who is discharging the same duties. The present occupant of the office will probably benefit by a pension, whereas his predecessor who worked for half the present salary may have to be looked after by the municipality. Certainly something should be done for this man who has reached the advanced age of over eighty. It is a poor object lesson to the people of Canada if, when the time comes for them to retire, we cannot provide for those who served the country so long and so faithfully and upon the low salaries that then prevailed.

Mr. ROSS (Moose Jaw): The minister spoke of those under the old superannuation acts having to pay the difference between the contribution fixed by the old acts and that fixed by the present law. I believe civil servants have to pay not only that difference, but also four per cent on the arrears. This has kept many civil servants from coming under the new superannuation law. Although they would be able to pay the amount of the difference they feel that they cannot pay interest on the arrears and live decently. Is there no way by which the government can do away with the provision requiring the payment of four per cent interest so that all the members of the civil service can come under the Superannuation Act? I think the government will find that in time it would pay them if they did that. Then all the civil servants would be under the new act. At present they are not, and some day the government will have to provide in some other way for those who have not come under the act.

Mr. MALCOLM: In reply to my hon. friend may I say that the act as worked out by the committee was placed on an actuarial basis, one-half being contributed by the employee and one-half by the state. That made it very difficult to consider the case of a man who had never paid anything into the fund. Such a man could never be expected to pay five per cent of his total salary for the whole period in which he was in the government service because he would not likely be in a position to make such a heavy payment. At the time the act passed this House, with very strong support on both sides, it was felt that as it had been worked out on an actuarial basis there was no further need for contributions by civil servants other than those for which the measure provides. The upper chamber however felt that there was, and that those who were under the old scheme and coming into the new, were not contributing sufficient to the new scheme. The upper chamber therefore amended the bill by making necessary the payment of 4 per cent simple interest. They did not ask that it be compounded. I do not know what influence my hon. friend has in the upper chamber. He has some relatives there, and I would suggest that he get his relatives to introduce a bill in the upper chamber and to endeavour to have the upper chamber accept the bill as it was passed by this House.

Mr. ROSS (Kingston): I should like to make some remarks on clause 4 if we are to take them clause by clause. As regards clause 1, many civil servants suffer because a charge is made against them, perhaps by some head of a department, and they do not have a trial. I am a great believer in the fairness of something like a court martial, so that when a man is charged with misconduct he has an appeal or a hearing before he suffers directly from the charge.

Mr. CAMPBELL: I would like to draw the attention of the minister to what I consider an injustice in the administration of the present Superannuation Act. A man entering the employ of the government and being dismissed or leaving it in less than ten years is not eligible to secure a refund of the money which he has paid into this fund. I have had referred to me a particular case which the minister now has in his hands, showing how this injustice works out. This man was employed as a farm instructor for a period of nearly five years, and the very fact that he was in the government employ for that length of time would indicate that his services were reasonably satisfactory. He was however dismissed. I am not familiar with the reason why he was dismissed, but he is to-day in a very unfortunate position. His wife is sick in the hospital; he is without work and without a dollar, and yet the very considerable amount of money which he has paid into this fund cannot be returned to him. I admit that this is not covered by the act, but it is covered by a ruling made by the

Treasury Board in conformity with the act. I would like to ask the minister if there is any possibility of a change being made in this ruling of the Treasury Board so that cases of this kind may be dealt with and justice rendered to the parties concerned.

Mr. ROBB: My hon. friend will recall that under the old act a man retiring at any time, and under the present act a man retiring in less than ten years, cannot get a refund. My hon. friend will observe that even in the good civil service of Canada we have discovered some employees who could not get a refund if they retired voluntarily, but who, knowing that they might if they were dismissed, invited dismissal for the purpose of securing a refund. This provision is for the purpose of clearing that up.

Mr. CAMPBELL: That hardly deals with the case to which I am referring. It makes no material difference whether this was in the old act or in the new. The point is that an absolute injustice was done to this man. He perhaps may not want to pay into the fund but he is compelled to do so. He has no alternative, and yet when he is dismissed from the service, or leaves the service through apparently no fault of his, so far as I can understand, or at least does not leave the service voluntarily, a considerable portion of his salary is confiscated. Actually 5 per cent of that man's salary over a period of four and a half years service has been confiscated. That is practically a dishonest proceeding.

Mr. ROBB: Is my hon. friend arguing on behalf of the taxpayers of his constituency or on behalf of some particular employee?

Mr. CAMPBELL: I am arguing in reference to this particular case, but in a general way I am asking for justice for any employee who may be placed in a similar position. If contributions to the civil service fund were voluntary; if this man went into it understanding that he was paying the money voluntarily, taking his chances of losing it later, I could quite understand in that case he would have to be prepared to lose if he were dismissed or left the service within ten years. I would like to ask the Minister of Railways what an employee of the Canadian National Railways would say if 5 per cent or any particular amount were deducted from his salary and kept in a fund of this kind, and nothing returned to him under such circumstances.

Mr. DUNNING: That is the exact principle underlying the provident fund in connection with the Intercolonial.

Mr. CAMPBELL: Is no refund made to those men?

Mr. DUNNING: The only fund we have is the Intercolonial provident fund and it is conducted on this very principle.

Mr. CAMPBELL: The employees of the whole railway would not stand for anything of that kind.

Mr. MALCOLM: They do.

Mr. CAMPBELL: It is most unjust. If contributions to the fund were voluntary, I would see no injustice; but when they are compulsory, you might just as well pay the man that much less salary in the first place because when he has left the service through no particular fault of his own, he cannot get a refund.

Mr. MALCOLM: My hon. friend, in making such a statement as he does, is certainly very poorly informed in regard to the principle of superannuation acts. There is a great difference between an annuity whereby a man gets back the money paid in, plus some small rate of interest, and an insurance policy under which he may win a large amount of money or to which he may be a heavy contributor and lose. If some did not lose there could not be the returns paid that are paid to civil servants who put in the full thirty-five years service, receive the superannuation of 70 per cent, and live for many years afterwards. Every superannuation scheme in existence, the New York Central scheme, the New Zealand act, the Canadian Pacific superannuation act, were considered by the committee, and this act as recommended was a combination of the opinions of the men on that committee as covering most fully the views representative of all parties in the House and also of the men administering superannuation acts which were outstandingly good in America.

Mr. HEAPS: Were the employees consulted and were they satisfied?

Mr. MALCOLM: Representatives of men's organizations by the score were in front of us. We had actuarial advice on this plan. If a man does not want to come into the civil service on a contributory plan, he does not have to do so. Under the old act a man contributed to a plan and he got certain refunds, but the state was contributing nothing. The hon. member for Mackenzie cannot show me an act based on the principle of superannuation whereby a man is allowed to elect to make it an annuity. If a man goes into the scheme, puts in his

full period of service, retires and lives for many years, he is bound to get out more than he puts in. If a man after putting in his full period of service retires, draws the superannuation and lives only one year, of course an injustice is done; he never gets back all the money he has paid in. The same thing is true of life insurance. All life insurance is bound to benefit some more than others. The principle of the thing is to benefit the civil servant who lives a long time so that in his old age he will not be in want. The act also takes care of widows to the extent of 50 per cent of the superannuation of the civil servant and there is a grant of so much for each child. None of these benefits could possibly come to retiring civil servants if there were not some sources of revenue beyond the actual contributions. All cannot possibly take out with interest what they pay in under this scheme.

Mr. CAMPBELL: If the contributions to the widows and orphans are largely made up by taking the money from men like this, an injustice is certainly done.

Mr. MALCOLM: No.

Mr. HEAPS: I asked if the employees were satisfied to come under the act.

Mr. MALCOLM: It was the civil servants of Canada who requested this act, and they were all delighted when it was brought into force. We were pressed week after week and month after month by the civil servants themselves to bring down this act. They wanted it, and they are still pressing for further amendments.

Mr. McGIBBON: That might all be true; nobody is denying it, but the principle raised by the hon. member for Mackenzie is the injustice done to a man who has been in the service five or more years and may be forced out. That is a different matter altogether. I can tell the hon. minister that there was a time when life insurance companies took that stand, but they do not do it to-day; they dare not do it.

Mr. MALCOLM: Which stand?

Mr. McGIBBON: The stand of retaining the premiums of those who dropped their insurance. No insurance company would dare do that to-day. I think the point raised by the hon. member for Mackenzie is absolutely sound. You should not rob one man to pay another. It is not just that a man who has been paying into the fund for a number of years should lose everything he has put in if, for some reason or other, he is forced out or has to drop out of the service. Nothing under heaven can justify that. If the state is not contributing enough to enable those who remain in the service to get a pension, it is its duty to contribute more. It is not fair to make a levy on the man who for one cause or another is forced to drop out of the service after contributing to the fund for a number of years. As I said before, life insurance companies once took that stand and retained the premiums of those who dropped out, but they do not do it to-day.

Mr. MALCOLM: The life insurance company makes no contribution; it all comes from the individual. But in this case the government contributes as well as the civil servants and all the contributions go into a general fund to pay the pensions of those who remain in the service.

Mr. McGIBBON: You never help the man whose money you retain.

Mr. MALCOLM: No, we help the other man who stays on.

Mr. McGIBBON: You are retaining his contributions unjustly.

Mr. MALCOLM: We do not retain his contributions. They all go into the fund for the benefit of other civil servants who stay in the service.

Mr. McGIBBON: The man is the loser. There is no justice in that.

Mr. MALCOLM: There is no justice in superannuation anyway.

Mr. McGIBBON: If a bank dismisses one of its servants, they pay him what he has contributed into the pension fund, plus interest, and I submit that that case is on all fours with this.

Mr. MALCOLM: No, it is different. My hon. friend surely knows that in connection with the Superannuation Act which was brought down, and which civil servants were so desirous of having brought into force, they are quite prepared that some shall be losers for the benefit of those that stay on. When the civil servants make their contributions for the first ten years, the state makes an equal contribution. The $10,000,000 or $12,000,000 that was in the old civil service fund was transferred to this new fund, and many of the men who were under the old scheme dropped out without any benefit whatever. There cannot be one hundred per cent justice in superannuation, because some will win more than others, and if one man wins, some other man must lose. If you want to

have a return of contributions to those who drop out of the service, which was never discussed before the committee by the civil servants who were pressing for this bill, there would have to be a heavier levy both upon the employee and upon the government. This Superannuation Act was worked out practically on the principle of the New Zealand superannuation act, modified by some clauses in the Canadian Pacific Railway and New York Central acts, and in every instance the civil servants themselves were pressing for the bill to be brought into force.

Mr. McGIBBON: The minister contradicted me, but he has not said one word to justify his contradiction. I was comparing the provisions of this fund with those of a bank, and he said that there was no comparison.

Mr. MALCOLM: There is not.

Mr. McGIBBON: Why? Do not the bank employees pay into a fund? Do not the banks also pay?

Mr. MALCOLM: I do not know that they do.

Mr. McGIBBON: Then do not contradict me.

Mr. MALCOLM: I do not think the banks pay into the fund.

Mr. McGIBBON: I think they do. I say I have known cases, and I know it is their policy whenever they dismiss a man to return his contributions.

Mr. VENIOT: Some banks do not contribute.

Mr. McGIBBON: Some of them do, and the case is on all fours with this. I say there is no justice in this parliament passing a law to retain a man's money to which he is justly entitled.

Mr. ROBB: As I pointed out earlier, this measure was framed after very careful consideration, and after consultation with the actuaries and also with the civil service representatives. When it was first brought down, it met with the approval of the civil service representatives, and it meets with their approval to-day, with the exception of some points where we propose some corrections after the experience of some three years. We are now bringing these amendments in to meet the wishes of the civil service. We brought in a measure last year extending the period during which they could determine whether they would come in under the new act or not. We are extending it again now. My hon. friends opposite offer some objection. My hon. friend from Muskoka-Ontario brings up certain grievances, but he offers nothing constructive. How do my hon. friend and the hon. member for Mackenzie propose that the deficiency in the fund which would be created by returning contributions shall be met? Do they want the contributor's pension reduced? If they do, let them say so, and we will consider it.

Mr. McGIBBON: I want the parties to pay who are going to benefit. The government ought to pay it.

Mr. MALCOLM: The government does not benefit. The government is a contributor.

Mr. ROBB: I repeat, we have pointed out to the civil service representatives, who came to us no later than this week, that it was getting late in the session, and that we were not sure that we could get this measure through. I told them frankly that I did not propose to stay here all summer to try to put this measure through, but I am ready to listen to anything constructive. If hon. gentlemen are simply going to find fault, and raise the case of one man here and another man there who wants his money back after voluntarily contributing to the fund, and they are not prepared to offer anything constructive, I shall have to tie the bill up so that we can consider during the year what would be the effect from an actuarial standpoint. We would have to consider how much more the government would have to contribute in that case, because either the government or the other civil servants would have to contribute more if the present scale of pensions is to be continued.

Mr. CANTLEY: I understood the minister to say that the man went into the scheme voluntarily, and now he wants his money back. I think it all depends on circumstances. It is true he went into the scheme voluntarily and made his contributions, but it was on the expectation that he would remain in the service until such time as he would be eligible for superannuation. But he has been dismissed, and all he asks is that you pay him back, not what you contributed, but what he contributed himself.

Mr. ROBB: My hon. friend is a good business man, but he has missed the point. I have pointed out that in the experience of the Treasury Board we have discovered that some people were actually seeking dismissal so that they might get their money back.

Mr. CANTLEY: I am not dealing with such a man at all, but with the man who comes into the service and contributes voluntarily because he expects to stay in the service long enough to get the benefit of superannuation. You dismiss him and confiscate what he contributed. All he asks is that you return to him, not what you put in, but what he contributed himself. What is the answer to that?

Mr. ROSS (Moose Jaw): When a man is dismissed, does he not get back the money he contributed?

Mr. VENIOT: No, not under the new scheme.

Mr. CANTLEY: What is the answer?

Mr. CAMPBELL: The Minister of Trade and Commerce dismisses my plea in favour of this particular man by the assertion that the principle on which all superannuation acts are based is that some men in particular circumstances must lose and others gain, that those who leave the service within ten years must contribute five per cent of their salary to the pension fund for the benefit of those more fortunate who are permitted to remain in the service. That, in effect, is what he says. I want to point out where he is wrong. My complaint is not against the act. The act is all right. My complaint is against the ruling of the Treasury Board. The Minister of Finance implies that those of us who are criticizing have offered nothing constructive. I want nothing more constructive than the act itself; the act is quite satisfactory. Let me read subsection 3 of section 10 of the act:

> Nothing herein contained shall be understood as impairing or affecting the right of the governor in council to dismiss or remove any contributor from the civil service, and on such dismissal or removal the governor in council may, on the recommendation of the Treasury Board pay to the contributor the whole or any part of his contribution under this act as may be deemed expedient.

Can the Minister of Finance or the Minister of Trade and Commerce say that the act was based on the principle that a man in this position should not have his contributions to the fund returned? How can they make that assertion in view of that particular clause in the act? What I complain about is that after this act is passed and after all the arrangements are made the Treasury Board takes it on itself to make a ruling. This ruling is dated December 17, 1926, and it specifically deals with this case. It leaves this man outside the operations of the act. I am not complaining of the act itself. Some hon. member has asked that this document be read. It is rather a lengthy document, but I think I had better read it all. It reads:

> The board had under consideration sundry submissions recommending, under the provisions of section 10 (3) of the Civil Service Superannuation Act, 1924, repayment of the contributions of employees dismissed or removed from the service. They also considered a memorandum prepared by the superintendent of insurance, at the request of the board, as to the advisability of authorizing such refunds.
>
> The superintendent of insurance reported:
>
> 1. That this provision was not intended to apply generally to all cases of dismissal.

I would ask my hon. friend to take particular note of that first clause.

> That this provision was not intended to apply generally to all cases of dismissal.

Then section 2 reads:

> 2. That employees with less than ten years' service cannot obtain refund of their contributions upon resignation; that consequently, it would be advantageous to such employees to be dismissed.

And section 3 reads:

> 3. That the benefits under the act had been fixed on the understanding that there would be accruing to the fund, the contributions of employees retiring with less than ten years' service; and that if these contributions are not retained, the basis for maintenance of the fund would be destroyed.
>
> The board, concurring in the report and recommendation of the superintendent of insurance, are of opinion that:
>
> 1. Refund of contributions should not be authorized to employees with less than ten years' service, who are dismissed or removed from the service.

That covers this particular case. I submit the act was not based on that principle, because the subsection I have read states clearly that the government shall have the right to refund the amount paid in by such employees. Certainly no one can claim the act was based on that. I can quite understand persons now in the service maintaining that that provision should be carried out. Why, an acceptance of the principle embodied in the ruling of the Treasury Board simply means confiscation of part of the salaries of the unfortunate employees, which was intended to be left for them in their old age, their widows and orphans. The argument that the civil service is behind it is no argument at all. Parliament is above the civil service. It is the duty of parliament to give justice not only to the civil servants who have been in the service sufficiently long to draw their pensions, but also to the less fortunate employees who are dismissed before they have been ten years in the service, and a part of whose salary is confiscated.

Mr. MALCOLM: My hon. friend referred to the privilege of appealing to the Treasury Board. There was the case submitted to the committee of the man who might be dismissed through the abolition of his office, although he had committed no offence against the department in which he worked. The man who retires voluntarily loses his contributions under the act; the man who commits some offence relating to his position or against the department is not supposed to get his money back, but the man whose position is abolished has the right of appeal and the Treasury Board may return to him his contributions.

Mr. CAMPBELL: That confirms what I said; apparently the act intended to make a refund to employees who were dismissed.

Mr. MALCOLM: No, except where a man was dismissed without cause, such as the abolition of the office, where there was no offence on his part. I may point out to my hon. friend that immediately after the war representations were made that we had a very large civil service. Of course some departments would naturally become less heavily manned as years went by. Where a man had to be let out through the abolition of the office, having done nothing wrong himself, he should be allowed to get his money back.

Mr. CAMPBELL: The act does not say that.

Mr. MALCOLM: No.

Mr. CAMPBELL: In any case of dismissal the governor in council has the right to make a refund of the amount paid in. But the minister states there was an afterthought, that this is something that came up afterwards: that an employee who wanted to leave the office and avail himself of the opportunity could perhaps use his fists with his superiors and gets around the act. We have a ruling of the Treasury Board on that. What the minister says confirms my opinion that the act was not intended to apply as it was applied in the case to which I refer. If it was found out afterwards that is was simply tempting the employee who wanted to leave the service to be dismissed, then I maintain the government should have dealt with it in some other way to render justice to those who were dismissed.

Mr. DUNNING: What other way?

Mr. CAMPBELL: That he should ask the Treasury Board to carry out the original intention of the act. That is all I am arguing. I am complaining of the ruling of the Treasury Board; I am not complaining of the act.

Mr. DUNNING: I am a member of the Treasury Board, and as such have had to consider, along with the other members of the board, cases of this kind. The abuse which the Treasury Board sought to correct under the section my hon. friend referred to arose from the fact that an employee who retires voluntarily with less than ten years' service should not have his contributions returned. My hon. friend will admit that proposition.

Mr. CAMPBELL: That is covered by the act.

Mr. DUNNING: Yes.

Mr. CAMPBELL: I am not complaining of that, but I am complaining of the interpretation given to the act by the Treasury Board in cases of dismissal.

Mr. DUNNING: We find this abuse existing: that men knowing that if they retire voluntarily, having served for a period under ten years, they could not receive their contribution, did something which compelled dismissal. So that there had to be consideration by the Treasury Board of the circumstances of dismissal in each case, as to whether or not the circumstances were such as to warrant the return of the contributions. There is hardly a meeting of the Treasury Board at which matters of dismissal and the relationship of the fund to these dismissals have not come before it for consideration, and there has to be a complete file of the circumstances in each case to enable the board to decide whether it is a proper case for the return of the contributions. There are other classes of cases. There are men who have been dismissed on account of defalcations, and when such a case arises it has to be shown to the board that that was the cause of dismissal. Does my hon. friend suggest that there should not be discretion somewhere in order to determine whether, even in cases of dismissal, contributions should or should not be returned? I submit that the discretion is absolutely necessary. So far as the general plan is concerned, it is in fact a pool. A man who puts his money into this scheme does not do so expecting to get more out of it than his contributions. The principle of pooling is the maximum good of all those participating in the pool. Some must bear a greater share of the burden in order that there may be equal benefits in case of disability or old age. There is no way of overcoming that inequality unless we adopt the annuity principle. Then unquestionably the payments either from the government or the contributors, or both, would have to be substantially larger than under this scheme.

Mr. CAMPBELL: Mr. Chairman, I submit that my contention is absolutely confirmed by the Minister of Railways. We have a frank admission from the treasury benches that as the act was framed the contributions of this class of employees were to be refunded. Therefore I submit that the contention of the Minister of Railways that the act was not framed with that in view is not correct. The present policy of not refunding in such cases is an afterthought.

Mr. DUNNING: My hon. friend misunderstands my statement. The ruling of the Treasury Board is in conformity with the discretion given to them under the very section of the act that my hon. friend read.

Mr. CAMPBELL: Apparently the discretionary powers are entirely taken away. If there was a certain discretion vested in the Treasury Board; according to the act, and they could deal with cases of this kind, I would have no complaint; but, as I say, all discretion is taken away. I claim that any employee is entitled to have the act carried out in the spirit in which it was framed.

Mr. MALCOLM: If the hon. member will recall when this act was passed he would know that the committee to which it was referred was composed equally of members from each side of the House, because at the time the government had not a decided majority. The committee unanimously recommended the bill and it was enacted. When it came into the House the then Minister of Finance (Sir Henry Drayton) offered no criticism. In fact the only criticism came from the then leader of the opposition, Right Hon. Arthur Meighen, who said that the measure was very generous, but he shuddered to think of the payments that the taxpayers would have to assume. If we had wanted to be more generous we would have to ask a large contribution either from the civil servants or the government.

Mr. CAMPBELL: May I again point out that I am not complaining of the act at all?

Some hon. MEMBERS: Carried.

Mr. McGIBBON: It is not carried and will not be for a while if that practice is indulged in. I protest against the Minister of Finance threatening to throw this bill over because we attempt to improve it. I am not particularly concerned about our civil servants. I think they are pretty well paid and protected in every shape and form, and I do not think their work is very hard. Many a man in this country has got a day's work done before the civil servants commence their duties. I am not complaining of that, for I know that the nature of the work is such that it must be transacted during certain hours. But the Minister of Railways has brought up a subject which to my mind is very important. I do not see what principle he could introduce into the Civil Service Act that would be more destructive of the morale of the service. He admits it himself and says that there is trouble every day. When people think that they are not getting what belongs to them they are going to fight for their rights, and I think he will continue to have trouble so long as this clause remains.

Mr. DUNNING: Mr. Chairman, I did not say that we have trouble, I said the Treasury Board has to deal with cases for the return of contributions to dismissed men. That is simply carrying out the intent of the act, it is not trouble. The only way to avoid it, as I pointed out, is to change the basis of the scheme, and provide that anyone, whether dismissed or retiring voluntarily, shall get his contributions refunded. In order to accomplish this the state would have to pay more and the contributors considerably more than they are now paying. We cannot carry on the scheme actuarily at the present rate of contribution if we admit that those who retire voluntarily or otherwise shall get their payments back.

Mr. McGIBBON: Probably I am mistaken, but I thought I distinctly heard the minister say that at nearly every meeting of the Treasury Board they have to consider these cases. If that does not indicate trouble I do not know what does.

Mr. DUNNING: No, that is just the ordinary business of the board.

Mr. McGIBBON: To my mind the principle is wrong. If the government wants to do something for the civil service, let them do it, and let them call upon those civil servants who are going to participate in superannuation help to that end; but the principle of making them contribute a certain percentage of their salary and then retain those payments is wrong.

Mr. WARD: May I ask a question of the Minister of Railways? He appears to be speaking for the Treasury Board.

Mr. DUNNING: No, I just butted in.

Mr. WARD: If this legislation passes, will the Treasury Board still have the right to consider the cases of all civil servants who have been dismissed?

Mr. ROBB: Not those with less than ten years' service. I would direct my hon. friend's attention to the regulations under paragraph 8, subsection 7.

Mr. ROSS (Kingston): Has the civil servant who is charged with misconduct any right of appeal? If so, to whom?

Mr. ROBB: He would appeal to the Treasury Board. We have had such appeals. I may say that this week representatives of the civil service have brought to our attention their desire to be represented on the board administering this act. There is much to be said in favour of the proposal, and we will work it out later.

Mr. ROSS (Kingston): I agree that the committee have certainly gone a long way towards removing dissatisfaction by their definition of "misconduct," and it should do away with any cause for appeal. But some civil servants are under an immediate superior whose word goes. In case of an appeal the subordinate has to proceed through his superior officer. I know for a fact that such appeals have often been pigeonholed, and I think the civil servant should be allowed to appeal direct. I am thoroughly satisfied with that definition of misconduct, but there should be some settled way of dealing with appeals. The appeal should go to a higher authority than the man's immediate superior.

Mr. ROBB: It is a matter that comes under the Civil Service Act rather than under this.

Mr. ROSS (Kingston): Is there any way in which it is covered?

Mr. ROBB: I do not know.

Mr. MacLAREN: How many years' service is required to enable a widow to claim a superannuation allowance?

Mr. ROBB: Ten years' service on the part of the employee.

Mr. GARDINER: I should like more information regarding lighthouse keepers? The practice in certain lighthouses is for the keeper to hire a number of assistants. He is paid a certain sum of money and out of that he must provide all the assistants he requires, sometimes one, two or three. When the time comes for his superannuation by what method does the department arrive at the actual salary on the basis of which he will be retired?

Mr. ROBB: The superannuation allowance is made on the basis of his net salary.

Mr. GARDINER: These lighthouse keepers contribute to the superannuation fund on the basis of a fixed salary?

Mr. ROBB: On the basis of their net salary.

The CHAIRMAN: Shall section 1 carry?

Mr. CANTLEY: Not yet.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 106, to incorporate The Premier Guarantee and Accident Insurance Company of Canada.—Mr. Smith (Stormont).

Bill No. 112, respecting The Bronson Company.—Mr. Edwards (Ottawa).

Bill No. 120, respecting Joliette and Northern Railway Company.—Mr. Denis (Joliette).

Bill No. 143, to amend an Act respecting The Brandon, Saskatchewan and Hudson's Bay Railway Company.—Mr. Thorson.

Bill No. 155, respecting Commercial Travellers Mutual Insurance Society.—Mr. Anderson (Toronto).

Bill No. 156, for the relief of Dorothy Helen Murray.—Mr. Spence (Parkdale).

Bill No. 157, for the relief of Lotta Maria McGregor.—Mr. Spence (Parkdale).

Bill No. 158, for the relief of Harriett Louisa May MacCarthy.—Mr. Garland (Carleton).

Bill No. 159, for the relief of Adelaide Mildred Maguire.—Mr. Geary.

Bill No. 160, for the relief of Dmytro Pushkedra.—Mr. Luchkovich.

Bill No. 161, for the relief of Muriel Helen Louise Dunn.—Mr. Casselman.

Bill No. 162, for the relief of William Henry Poultney.—Mr. Church.

Bill No. 163, for the relief of Cecil Chester Richardson.—Mr. Arthurs.

Bill No. 164, for the relief of Bertha Amelia Bertelet.—Mr. Hocken.

Bill No. 166, for the relief of Evelyn May Bateman.—Mr. Edwards (Ottawa).

Bill No. 167, for the relief of Fannie Louise Dance.—Mr. Jacobs.

Bill No. 168, for the relief of Sarah Simpson.—Mr. Jacobs.

Bill No. 169, for the relief of Percy Compton.—Mr. Anderson (Toronto).

Bill No. 170, for the relief of Hazel Green Anderson.—Mr. McMillan.

INCORPORATION OF PRESIDENT OF THE LETHBRIDGE STAKE

The House in committee on Bill No. 110, to incorporate the President of the Lethbridge Stake.—Mr. Jelliff—Mr. Johnston in the chair.

On section 1—Incorporation.

Sir GEORGE PERLEY: Will the hon. gentleman who is in charge of this bill give us a short explanation of its purpose?

Mr. JELLIFF: This bill passed the House of Commons and the Senate last year, but owing to the dissolution of parliament failed to receive the royal assent.

Section agreed to.

Sections 2 to 10 inclusive agreed to.

Bill reported, read the third time and passed.

GATINEAU TRANSMISSION COMPANY

The House in committee on Bill No. 66, to incorporate Gatineau Transmission Company —Mr. Fontaine—Mr. Johnston in the chair.

On section 1—Incorporation.

Mr. CANNON: This bill appears on the order paper as if there will be Senate amendments. This is evidently a misprint because the bill has not gone to the Senate. It was amended in committee.

Mr. GARDINER: What is the nature of the amendments that were made in the committee?

Mr. CANNON: The amendment was one suggested by myself to clause 11. Certain objections were raised to clause 11 as it read, on account of the expropriation powers therein mentioned and the rights which might belong to other companies operating in the same territory. Therefore I suggested that the clause should be amended in order that whenever the company should wish to operate in Quebec they would do so under the supervision of the Quebec Public Service Commission, and when operating in Ontario, they would do so under the supervision of the Hydro Electric Commission, and that we would strike off, starting from line 40, all the words beginning with the word "except." There were two exceptions as to the jurisdiction of the Hydro Electric. These exceptions have been eliminated so that the company is absolutely under the control of the Hydro Electric.

Section agreed to.

Sections 2 to 10 inclusive agreed to.

[Mr. Cantley.]

On section 11—Approval by Quebec Public Service Commission and Hydro Electric Power Commission of Ontario.

Mr. IRVING: As amended?

Mr. CANNON: The clause reads now in the bill as amended in committee.

Section agreed to.

Sections 12 to 16 agreed to.

Bill reported, read the third time and passed.

BAPTIST CONVENTION OF ONTARIO AND QUEBEC

The House in committee on Bill No. 153, respecting the Baptist Convention of Ontario and Quebec—Mr. Edwards (Ottawa)—Mr. Johnston in the chair.

On section 1—Proviso.

Sir GEORGE PERLEY: I would like a little explanation about this bill. I am rather surprised to see that there is no provision in it for protecting vested rights that have been acquired previous to this date. It seems to me that that is a very unusual omission from a bill of this kind.

Then I find that section 1 provides that the convention, on a three-fifths vote of the delegates present at any time, may pass a regulation that some of the delegates shall no longer be entitled to attend the convention, and that some of the churches may no longer select delegates for the convention.

I have received a communication from Lachute, which I did not get in time to present to the private bills committee yesterday, and as it expresses my views I shall take the liberty of reading it:

That the members of the Lachute Baptist Church hereby express their entire disapproval of the amendment proposed to the act incorporating the Baptist Convention of Ontario and Quebec for the following among other reasons:

1. That it is destructive of the independence of Baptist churches.

2. That it would give to a three-fifths vote at any convention the power to declare by resolution what is or is not in harmony with the objects of the convention, while the resolution may be entirely out of harmony with, and destructive of, the principles and doctrines held by the denomination, and through this resolution absolutely to cut off any church from its vested rights as a free and independent Baptist church in the convention.

3. That every Baptist church in the convention is possessed of vested rights in certain trust and endowment funds held for the work of the denomination, and the cutting off of any church from sending delegates to the convention would automatically nullify all their interest in the said endowment and trust funds.

4. That it clothes the convention with such powers as would inevitably imperil the freedom of the ministry.

5. That it would tend to bring the domestic affairs of the churches into discussion in the convention, either to prove that a church is out of harmony with the convention, or to enable a disappointed minority in a church to appeal to the convention to justify themselves against the minister or pastor and the majority supporting him.

(Sgd) G. F. CALDER. S. GOLDSWORTHY, Church Clerk.

I have no doubt, Mr. Chairman, that this bill has been carefully considered by the committee. I am not a member of the private bills committee myself, but it seems to me that these two objections to the bill are very serious ones. In the first place, there is no saving clause in regard to the vested rights of any community of the Baptist church, and further, it seems to me hardly in order that three-fifths of the members present at a convention should be able to pass a resolution excluding the delegates from some of the Baptist churches, or a resolution that certain Baptist churches should no longer have the right to send delegates to the convention. I should like to have some explanation of these matters from some member of the committee here who is conversant with them.

Mr. RALSTON: I am perhaps not too conversant with the facts out of which this bill has arisen, but the sponsor for the bill is not here tonight, and he asked me if it did come up to say a word in explanation to the committee.

I am sorry that my hon. friend from Argenteuil was not at the committee, because I can assure him that if he had been there he would have listened for at least three hours to a complete discussion of all the points to which he has referred by gentlemen who were thoroughly in touch with them and would have been able to give him very much more close range information than I can.

In a word, the purpose of the bill, as I understand it, is to bring the organization known as the Baptist Convention of Ontario and Quebec into line with the organizations of that body existing in other parts of Canada. I understand that the Baptist convention is incorporated in British Columbia and the western provinces, and there they have the usual powers of any domestic corporation as to discipline, as to the conduct of their affairs, and who shall send delegates. Down in the maritimes, particularly in New Brunswick, there is a similar act of incorporation, but the Maritime Baptist Convention is not, I understand, incorporated as a convention.

I would draw the attention of the committee to this, that a convention which is not incorporated has, I think, in law the power to do exactly what is suggested in the section to which my hon. friend has referred, so that all that is sought here is to supply an omission in the old act of 1889, in which it is provided that each regular church is entitled to send delegates, and nothing is said whatever as to the disciplinary powers which may be possessed by the convention, in case it becomes necessary or is thought advisable to use those powers. In the case of any club or domestic organization, its domestic affairs are under its control, but I understand that this body is advised that because of this omission there is doubt whether they have power to control who shall and who shall not send delegates to the convention. The purpose of this section is to supply that omission.

With regard to property rights, may I just say a word? The Baptist churches throughout the world are autonomous bodies. Each church owns its own property. The convention or the coöperative assembly through which they work has no property whatever, and has no interest in the property of the churches, so the body which is incorporated here holds no property, and has no interest in the property of the individual churches, and all that the churches may do, and the only interest they may have in the coöperative work, is to send delegates who can vote on various matters that come before the convention, with regard to the good of the denomination and relating to the objects for which the convention is brought together. In that connection I want the committee to have the fullest information, because there are two or three boards which are appointed by the convention, namely, a board to hold funds for the home missions, a board to hold and administer funds for foreign missions, and a board to administer superannuation funds for aged and infirm ministers. The convention as such has no property in the fund whatever. The funds are contributed by the individual churches and all the convention does is to nominate the members of the board. My hon. friend from Argenteuil probably does not know also that under the act which incorporated McMaster university this convention is authorized to appoint a board to deal with matters pertaining to that educational institution. That is not under this act, but under the act incorporating McMaster university, and so, as was pointed out before the committee, in connection with the question of property rights it would seem as though those who go to vote at the convention have no more interest in the property which is being administered by those boards whom they elect than the persons comprising the governor in

council which elects the board of the Canadian National Railways would have in the property of the Canadian National Railways. I therefore think that the suggestion which was made to the committee is sound, that if you insert what is called a saving clause with respect to property you give some astute lawyer an opportunity of saying "Well, parliament must have thought, notwithstanding the apparent plain provisions of the act, that there was some property interest somewhere", and probably an argument would be founded on that basis. I submit that it would be unwise and unnecessary to insert such a provision, because if you look at the proviso proposed it is purely a section for the purpose of excluding the church from sending delegates to the convention and does not purport to affect property. I submit there is no such thing as property in this concern, and the operation of this association is such that it does not normally acquire property.

The other proposition was as to the three-fifths vote. My suggestion to the committee is that the usual procedure for action by such a corporation is to proceed by a majority vote—majority in matters of discipline as well as matters in connection with property and the general affairs of the corporation. In this case I understand that it was the idea of the promoters of the bill that whoever it dealt with might be assured that there was no desire captiously to interfere with the attendance of anybody at the association, and so the three-fifths majority was suggested. In the ordinary case I think it would be fifty per cent.

I desire to refer to another matter. Under the provisions of this act it does not come into force until it is ratified by the convention itself, which gives full notice to all interested of the possibility of action under this legislation. Although I am a member of the denomination, I do not happen to be a member of this convention. I understand there are some 508 churches in the convention and that a protest was received—any hon. member can correct me if I am wrong—or sent in by thirty-five churches to the people who are opposing this bill. The further statement was made that a protest has been received from individual members of 120 churches in all but when it was analyzed it was found that that meant that one individual member of a church might count as one of the 120. So that I think as the matter stands the bill represents the desire of 508 churches, with the exception of 35, and with the exception of some individual members from some 85 other churches.

[Mr. Ralston.]

Sir GEORGE PERLEY: My hon. friend says there are no property rights involved, and I am quite sure he is stating it as he understands it. Sometimes errors are made in a matter of this kind. Would there be any objection to putting in a clause safeguarding any vested rights, a clause similar to that which has been put in other bills? We inserted such a clause in a bill a few minutes ago.

Mr. RALSTON: I anticipated that suggestion, and I made what seems to me to be the only answer which could be made to it, namely, that I have no idea that there is any property of which any church referred to in section 1 will be deprived. I have not exhausted my investigation, but I have taken some pains to get information and I cannot see that there is any likelihood of any church being deprived of property interest by being refused the right to send a delegate to this convention. I do suggest, therefore, being a member of the bar myself, that it would be unwise and would be unduly casting a cloud on this association if we insisted that, as a condition to this corporation getting the power that other corporations have, they should have something added that would in a lefthanded way suggest that somebody had property rights when apparently none exist.

Mr. GUTHRIE: I think it is well that the committee should understand that this is a private bill and cannot be amended without notice.

Mr. SPENCE (Parkdale): I think if the hon. member for Argenteuil had been at the meeting of the committee yesterday he would have agreed with everything the hon. minister said. I endorse every word which has been uttered by the Minister of National Defence. This bill will have no effect on the endowment fund or superannuation fund. Before the committee we had Rev. John MacNeil, Doctor Shields and others. Already the thirty-five ministers represented by Doctor Shields have started a seminary college of their own and have withdrawn their support from the organization. The committee on private bills yesterday carried the bill unanimously, and there is nothing else for us to do; therefore I hope the measure will pass through this House without further discussion.

Section agreed to.

Bill reported.

SECOND READINGS

Bill No. 240, for the relief of Jessie Wright.—Mr. Garland (Carleton).

Bill No. 241, for the relief of Audrey Idelle Knowles.—Mr. Young (Toronto).

Bill No. 242, for the relief of William Edward Couch.—Mr. Harris.

Bill No. 243, for the relief of Clara Cairney.—Mr. Bowman.

Bill No. 244, for the relief of Annie Sophia Gordonsmith.—Mr. Garland (Carleton).

Bill No. 245, for the relief of May Elizabeth Chambers.—Mr. Garland (Carleton).

Bill No. 246, for the relief of Violet Gladys Cockerton.—Mr. Anderson (Toronto).

Bill No. 247, for the relief of Mary Eleanor Kennedy Ledden.—Mr. Jacobs.

Bill No. 248, for the relief of Arlee Lillian Helmsley.—Mr. Anderson (Toronto).

Bill No. 249, for the relief of Merton Egbert Ellsworth Kittredge.—Mr. Garland (Carleton).

Bill No. 250, for the relief of William Newton Anglin.—Mr. Young (Toronto).

Bill No. 251, for the relief of Annandale Ramsden.—Mr. Goodison.

Bill No. 252, for the relief of Willie Rosenberg.—Mr. Bell (St. Antoine).

Bill No. 253, respecting certain patents owned by the Sealright Company, Inc.—Mr. Young (Toronto).

GREAT LAKES AND ATLANTIC CANAL AND POWER COMPANY, LIMITED

Mr. E. G. ODETTE (East Essex) moved the second reading of Bill No. 255, respecting the Great Lakes and Atlantic Canal and Power Company, Limited.

Sir GEORGE PERLEY (Argenteuil): This bill, I understand, has not yet been printed and some of us would like to see the terms of it.

Mr. SPEAKER: The objection is well taken. The motion stands.

Motion stands.

PATENTS OF ALBERT P. FRIGON

CONCURRENCE IN SENATE AMENDMENTS

Mr. PAUL MERCIER (St. Henri) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 42, respecting certain patents owned by Albert P. Frigon.

Motion agreed to, amendments read the second time and concurred in.

CIVIL SERVICE SUPERANNUATION ACT AMENDMENT

The House resumed consideration in committee of Bill No. 231, to amend the Civil Service Superannuation Act, 1924.—Mr. Robb—Mr. Johnston in the chair.

The CHAIRMAN: When the committee rose at six o'clock section 1 was under consideration.

Mr. MacLAREN: I want to direct to the attention of the minister now in charge of the bill a concrete case which has been submitted to me. Suppose a civil servant should die, say, six days before the expiry of the ten year period which is necessary to entitle his dependents to superannuation. I understand that it is the practice at present to pay to the dependents of civil servants who die during the month the full amount of salary for that month. If that were done in the case I am supposing—and this is not a hypothetical case, for it has been brought to my notice only to-day—would not the fact that the salary would be paid for the full month extend the time of service of the deceased so as to complete the ten year period? What is the minister's interpretation of the statute in regard to this point? Would the dependents, under such circumstances as these, be entitled to the allowance?

Mr. GUTHRIE: By the way, who is in charge of the bill?

Mr. CANNON: The bill stands in the name of the Minister of Finance (Mr. Robb), but I understand that the Minister of Trade and Commerce (Mr. Malcolm) is familiar with the subject. There was a good deal of discussion this afternoon which I think might be continued in the absence of the Minister of Finance.

Mr. McGIBBON: Will the minister give an estimate of what the bill will eventually cost the country?

Mr. MacLAREN: First of all I should like to have an answer to the point I have brought forward. As I say, this is not a hypothetical case; it has actually come to my notice. A civil servant dies six days before the end of his ten year period, and the present practice is to pay his salary up to the end of the month in which he dies. Does the minister think that this practice would apply to the payment of the superannuation allowance so as to complete the ten year period? I should like to know whether the minister thinks that in that case the dependents would be eligible to receive the allowance.

Mr. MALCOLM: I do not see that it would make much difference whether death occurred one month or one year before the end of the period. I agree with my hon. friend that it does seem an injustice to deprive the dependents of the allowance which they would otherwise receive, merely because the man died just a few days before the necessary time had elapsed. However, the ten year period is arbitrary, and the same problem would arise no matter what length of time we might fix.

Mr. MacLAREN: But I am pointing out that the present practice in the payment of salaries is to grant the salary to the end of the month in which the civil servant dies. If that same practice were observed in the case I have cited the result would be to extend the time of service so as to complete the requisite period.

Mr. MALCOLM: The date of death determines the status of the beneficiary.

Mr. PETTIT: As I understand the act, the civil servant is not entitled to repayment of moneys paid in unless he has been in the service the full ten years. It seems to me that anyone who becomes incapacitated or who is removed by the department from any cause other than misconduct as set out in subsection 1 should be entitled to receive what he has contributed.

Mr. MALCOLM: I do not believe my hon. friend was in the House this afternoon when the matter was discussed. Certain objections were raised which appeared to be well taken. However, the purpose of the bill is to provide certain benefits for civil servants. When the bill was first introduced that question was very carefully considered. It has to be admitted that the benefits of the money paid in do not accrue to those retiring after a service of less than ten years. In case of dismissal, as has been pointed out this afternoon, the Treasury Board has discretionary power to review the case. As the Minister of Finance pointed out, to add provisions to the bill conferring any further benefits would really entail a complete revision of the assessment necessary to provide the payments. Therefore I do not think the committee would be well advised to disturb the principle of the bill at this stage.

Mr. PETTIT: The minister spoke of those dismissed for misconduct, but what about those who have become incapacitated? Should not provision be made for them?

Mr. MALCOLM: The bill provides for those who become disabled within the ten year period.

[Mr. MacLaren.]

Mr. EVANS: Will those employees who have served continuously under the Soldier Settlement Board for the last seven or eight years be reckoned as permanent employees, and will they come in under this scheme? It does seem unfair that they should be regarded as temporary employees after serving continuously so many years. Moreover, it would be very hard for many of them to reëstablish themselves in their pre-war occupation.

Mr. MALCOLM: The question of the treatment of employees of the Soldier Settlement Board is under review by the Department of Justice. A separate bill will have to be framed to cover those cases.

Mr. CAMPBELL: Before the House rose at six o'clock I was appealing to the minister on behalf of an employee who had been in the service of the government for about four and a half years. During that time this man had paid in five per cent of his salary to the superannuation fund, and under subsection 3 of section 10 the governor in council, on the recommendation of the Treasury Board, is empowered to refund to him the amount he paid in. Owing, however, to a ruling of the Treasury Board the taking of that course is prevented. I would ask the minister if this particular ruling of the Treasury Board, is, like the law of the Medes and Persians, not subject to change, or if there is a chance of this man, through appeal to the governor in council, getting a redress of his grievance.

Mr. STEWART (Edmonton): There is always a chance that an appeal can be taken to the Treasury Board. The decision in that man's case is not final; his case may be reviewed again.

Mr. CAMPBELL: As I understand it there is no appeal from this ruling. I should like to have some assurance from the minister that this man can appeal to the governor in council and have his case heard.

Mr. STEWART (Edmonton): There is nothing final about a ruling of the Treasury Board. A restatement of the case before the board may be asked for, and the board have full authority to revoke their previous decision. There is nothing final about the board"s decision in the sense that it cannot be reviewed.

Mr. CAMPBELL: Do I understand that the Treasury Board are now in a position to hear and consider an individual case notwithstanding the ruling given?

Mr. CANNON: In this special case the decision can be changed by the board itself, or can be changed on appeal.

Mr. CAMPBELL: To whom can this man appeal? Is there any appeal from the decision of the board?

Mr. CANNON: He can always appeal to the governor in council from the decision of the board.

Mr. CAMPBELL: But apparently, according to subsection 3 of section 10, the governor in council can only refund this money on the recommendation of the board. In that case I understand there is no appeal.

Mr. CANNON: If my hon. friend will allow me: We will assume that there is a decision of the board adverse to this person in whom he is interested. In that case the only remedy that lies is either to come before the board in some way or other and have the board change its decision, or, if that method cannot be taken, proceed by way of appeal.

Mr. CAMPBELL: Appeal to whom?

Mr. CANNON: To the governor in council, in order that the decision already given by the board may be altered.

Mr. McGIBBON: Before we go any further, can the minister give the House an idea as to what the cost to the country will be?

Mr. MALCOLM: It will depend a good deal upon how many civil servants under the old act are transferred to the new act. Civil Servants have the option of remaining under the old act, and the period of election to come under the new act has been extended and has not expired yet. I am very sorry that I cannot give my hon. friend the figures that I thought were here. The balance to the credit of the fund in 1927 was $13,999,000, practically $14,000,000, or about three and a half millions greater than the year previous.

Mr. McGIBBON: Would that be the ultimate cost per year?

Mr. MALCOLM: That will be about the average yearly cost.

The CHAIRMAN: Shall section 1 carry?

Mr. ROSS (Kingston): Before the section carries I should like again to bring to the attention of the minister the possibility of arranging for some definite appeal in regard to dismissal for misconduct. I would therefore move:

That section 1 be further amended by adding the following:

That in case of appeal by a civil servant against his dismissal for misconduct, such appeal shall be heard by a representative of the minister of the department concerned, a representative of the Justice department, and a representative of the Civil Service Commission.

Mr. EVANS: I would draw the attention of the Solicitor General to a question that was asked in this House on March 21 referring to employees of the Soldier Settlement Board. The reply to that question was given by Mr. Robb who said:

I will direct the matter to the attention of the superintendent, although I think it has already been submitted to him by the board.

Has anything been done in this direction yet, and cannot the government promise any relief for these men, seeing that they are practically permanent employees? I think they should come under the Superannuation Act.

Mr. CANNON: I will inquire and let my hon. friend have the information.

Mr. NEILL: I would suggest that this amendment is out of order. I do not wish to prevent the hon. gentleman from discussing it, but this clause refers to the interpretation section of the original act, and I think it would be out of order to hitch on to one of the paragraphs of the interpretation section of the original act a provision for an appeal from a dismissal. No doubt there is in the act some other place where such a provision could be inserted.

Mr. ROSS (Kingston): I do not care where the provision for an appeal is inserted; so long as it is inserted in the act.

Mr. DUNNING: The proposed amendment is not a proper one to this act, which is the Civil Service Superannuation Act. It could appropriately be offered as an amendment to the Civil Service Act, because the question of causes of dismissal and the like is dealt with in that act.

Mr. GUTHRIE: I think it is proper.

Amendment negatived.

Section agreed to.

On section 2—Application of part I.

Mr. NEILL: I think this is the appropriate place to bring before the government and the House the claim of two small bodies, in the one case of civil servants and in the other of persons who ought to be classed as civil servants, to come under this act. This is not a revolutionary matter or a suggestion to change the basis of the act. It involves no greater contribution or no less superannuation allowance. Possibly it involves a little extra

expense on the part of the government, but only in the regular proportion which the government contributes under the act. The amount is small because they are two small bodies. If they had not been small bodies numerically and serving the country in remote places, perhaps their claim would have been considered before now. If they had numbered two or three thousand and lived in Ottawa, the justice of their case would have ensured that it receive consideration before now. The one case is a matter of including civil servants who are now really civil servants but who are not allowed superannuation. The other is a matter of including as civil servants people who should be classed as civil servants, and I cannot for the life of me understand why they are not so classed. I have in my hand a very modestly drawn up petition from the officers of the ships of the Department of Marine and Fisheries, a petition which in polite and respectful language sets forth their case. The trouble with these men is that they are prohibited from being members of the civil service because the Civil Service Act contains a section which reads:

> This act shall not apply to any position on any ship of His Majesty until parliament otherwise enacts.

Of course, not being civil servants, they do not come under the Superannuation Act. It is unnecessary for me to argue or stress the advisability of giving superannuation to civil servants, because that has been conceded all along the line and that is what this act is about. We will therefore commence with the premises that it is just and proper that men in the service of the country should be encouraged, by looking forward to superannuation, to stay with their department and give it the value of their experience. These men are prevented from doing that. They have to do a great deal of rather strenuous work. They serve the fisheries protection service and also the lighthouse service. They are out in all sorts of weather and under very strenuous conditions. They are expected at times to risk their lives in the performance of their duties. This is not a particularly nice service, and it is the very type of service that makes it highly desirable for the government to encourage them to stay with it because their experience is worth a great deal more than that of a man in a merely clerical position.

I am more familiar with the Pacific coast, and I know that the knowledge which these men must acquire in performing their duties makes it eminently desirable that the government should encourage them to remain in the service instead of having the best men picked up by the commercial companies because of their usefulness. I do not suppose more then sixty or seventy men would be involved so that the expense would be small. If they were made civil servants, they would be eligible for superannuation. That covers that phase of the question.

The other class to which I wish to refer is that of telegraphists, agent operators, agent linesmen and linesmen in the government telegraph service. They may be a little more numerous. They are prohibited, for a totally different reason, from enjoying the benefits of superannuation. Those who are telegraphists, agent operators or agent linesmen are all civil servants, appointed by the Civil Service Commission, so that with the exception of linesmen they are all civil servants, and they are certainly permanent because they continue in the service for twenty or thirty years. Why are they not allowed to enjoy the benefits of superannuation?

In the case of the employees of the Department of Soldiers' Civil Re-Establishment the argument used for prohibiting them was that the department was only a temporary establishment which would in time pass away, and the government did not want to have the heavy responsibility of pensioning these people after only a few years' service. But people of the class to which I am now referring continue in the service practically all their lives. I know of cases of both men and women telegraphists who have been twenty-five years in the service, and who, if they are laid off to-morrow, will not get a cent of pension. Many of these people do not appreciate the position they are in because they have been drifting along under the benefits of the Calder Act under which a number were superannuated and received a reasonable superannuation. Many of them hardly grasp the fact that when the Calder Act under which they were eligible for superannuation was done away with, they were no longer eligible under this superannuation act. The quibble, for I can hardly call it anything else, which was employed to deny them the right to come in under the superannuation act like other civil servants was this. Some brilliant genius invented the theory that they were not paid a stated annual salary and the act states that only those are eligible who are in receipt of a stated annual salary. The fact that these salaries are paid monthly does not seem to make any difference. Some of them have been paid for twenty-five years. For instance, a woman has drawn her stated annual salary, receiving it month by month, received her annual holiday and every-

thing else; she is a permanent civil servant; but because of this beautiful theory that she was drawing what was called current wages and not a stated annual salary, she was declared ineligible. That is a mere quibble that should be set right. These people are not drawing current wages because that would suggest that the amount was fluctuating from month to month; that if the market was a little brisk, we would expect to see their wages increase. These people like all other civil servants receive an annual salary paid monthly and the amount of their salary will be found year out and year in, in the Auditor General's report. Now because of that theory, that obsession I might almost call it, that they are not being paid a stated annual salary, they are not allowed to come in. I think that is practically the whole case, and it needs only to be stated, I think, to show the injustice they are suffering. I hope that if the minister in charge of this bill cannot see his way to insert this amendment, which would not involve much trouble or expense, he will at least give us the assurance that he will consider the matter during the recess with the prospect or the intention of bringing these people in next year. But I would like to hear the minister's view as to why these two classes of men are not eligible to come under this act.

Mr. MALCOLM: The hon. gentleman has both asked and answered the question. The answer he gave was the very answer which I would have given. They were not included because none of the prevailing-rates men were included, and they were treated at the time the bill was introduced as being prevailing-rates men. To give my hon. friend the assurance that their case would be reconsidered would not be very difficult for me, because I recall distinctly that some of us on the committee at the time were of the opinion that some further consideration should be given to the prevailing-rates men who were kept on permanently year after year, and were in receipt of what was practically an annual salary, although it was not regarded as such. I think the member for Comox-Alberni knows that the Minister of Finance is going to consider these cases further during the recess, and I think that assurance is all he requires.

Mr. ADSHEAD: I have received a number of letters with regard to certain classes of civil servants. There are, for instance, a number of civil servants in the Income Tax branch, which will shortly come under the National Revenue department, who have been in the service and doing the same work in some cases for thirteen or fifteen years, but who are still classified to-day as temporary employees, and because they are receiving $100 per month, no deductions are made for superannuation, and they do not come under the Superannuation Act. Some of these employees desire to be classified as permanent employees so that they may come under the Superannuation Act. All that is required, I understand, is that they should be classified as permanent employees in order to enjoy the benefits of this act, and I would like the minister to give me the asssurance that their case will be considered.

Mr. ROBB: Such of the employees as are considered of a permanent nature might be considered.

Mr. ADSHEAD: Surely a man who has been in the employ of the government and doing the same work for thirteen to fifteen years should be considered a permanent employee.

Mr. SPENCER: What constitutes a permanent employee?

Mr. ROBB: It is pointed out to us from time to time that there are employees who have been in the public service for many years who are not classified as permanent. All those who are permanent contribute.

Mr. WARD: Is it true that there are even departments of government that are not considered permanent departments, the employees of which could not possibly be considered permanent employees under any circumstances?

Mr. ADSHEAD: We have elevator operators and cleaners who have been working in the public buildings here for fifteen years, and who are classified as temporary employees and therefore cannot come under the Superannuation Act. Surely the lowliness of their occupation cannot be debarring them from receiving the benefits of this act. Though their occupation be lowly, it is just as useful and just as honourable as the work done by a man drawing $1,500 a year, and it should not debar them from coming under this act.

Section agreed to.

Section 3 agreed to.

On section 4—Calculation of allowance contributor having served previously to becoming a contributor.

Mr. MALONEY: On several occasions during the last year it has been brought to my attention that previous to the war, and for a few years after its commencement, several civil servants were superannuated on

the basis of their salaries of those days. That superannuation allowance seems very, very small indeed at the present time, and I would ask the Minister of Finance if he would not give consideration to the cases of these people many of whom to-day are aged and actually in need.

Mr. ROBB: Of course, my hon. friend understands that their superannuation is based upon their contribution, and their contribution is based upon their salary.

Mr. ROSS (Kingston): A number of employees are put in a peculiar position by the operation of this section. I refer to some of the very oldest employees in the penitentiary who have been under what is known as the Penitentiaries Act. Under that act they were allowed a gratuity for good conduct. Section 33 of the Penitentiaries Act provides that:

> The eligibility of any officer to be paid such a gratuity shall not be affected by his promotion heretofore or hereafter to an office which makes him a member of the civil service, as defined for the purpose of the Civil Service Superannuation and Retirement Act.

That provision in the Penitentiaries Act will be wiped out, I believe, by this amendment to the Superannuation Act. These officers are now given the option of deciding whether or not they will come under the Superannuation Act. It has already been stated this afternoon by one or two speakers that those officers who have been in the service for twenty or twenty-five years will have a very large amount indeed to pay into the fund if they have to pay five per cent of their salary, plus interest. These employees feel that just as soon as this act passes they will be in this position; they would be entitled as penitentiary officers to a gratuity allowance which would be somewhere in the neighbourhood of $2,000, and if they retired as soon as this act passes they could draw that amount, and then re-enter the service as an official. I think one official of the penitentiaries branch has already done that, but those who continue in the service must pay five per cent of their former salary, plus interest, in order to get the benefit of this act. It would almost bankrupt these men to pay that amount, and some of them could not possibly do it. Therefore, they feel it would only be just if the act contained a provision that they could draw the gratuity to which they would be entitled for their good conduct, and have the same applied to the payments necessary to come under this act. I do not know whether I have made myself clear to the minister, but the case of these men is, I believe, worthy of consideration before this bill passes. They have until July to decide whether or not, they will come under the Superannuation Act. The minister of course may say, "why, they need not come under it." But they feel that if they do not come under it the only thing they have for their twenty or twenty-five years' service is a gratuity which they are given as a piece of charity. By some little act or infraction of some section they may be refused even this gratuity, and they have no appeal, so that after twenty-five or twenty-six years' service they have nothing coming to them. For that reason I was anxious to have inserted an amendment to provide that there should be some board of appeal; that the decision as to whether or not civil servants had broken the regulations should not be left to the ipse dixit of some superman above them. However, that has been voted down. To-day they have no appeal, and they may be put out after twenty years of service, as happened in the case of one official of the penitentiary a few years ago, without a single cent coming to them. In the case of this official there was not a black mark against him except a little infraction of the rules, or some technicality. I think it is only fair that these men should be given some consideration in the way of a payment which they might apply towards the amount which would bring them under the Superannuation Act.

Mr. ROBB: I cannot find anything in the clause under consideration that places them in any worse position than they now are.

Mr. ROSS (Kingston): They cannot be in a worse position.

Mr. ROBB: They have the option of coming in under this scheme or of remaining under the old scheme to which they have contributed. We have already extended the time for coming under the act, and by this legislation we propose to extend it till July of this year. There is nothing in this clause that puts them in any worse position than they now are, but if my hon. friend will write to the department indicating just what he means, it can be taken into consideration.

Mr. ROSS (Kingston): The department know the position very well; they have been written to in regard to it. These employees have not the amount of money which it would be necessary for them to pay in in order that they might be brought under the act; therefore they must stay out, and if they stay out they have nothing.

Mr. ROBB: They can pay it by instalments.

Mr. ROSS (Kingston): But the large instalments which they would have to pay would leave them practically nothing to live on. The longer a man remains in the service the worse position he is in, because this money is not his; he is deprived of it on account of some infraction or some little technicality after he has given perhaps twenty-six years of good service.

Mr. ROBB: My hon. friend will admit that there is nothing whatever in this measure which takes away the gratuity. He knows, too, that in insurance matters we must work on an actuarial basis.

Mr. ROSS (Kingston): My hon. friend will admit that we have had actuarial bases which we believed were perfect, but we afterwards found they were wrong and the figures had to be changed several times. These old employees were under the old Penitentiaries Act, which provided that the gratuity would not be taken from them; yet it has been taken from them, if I understand this measure. The government has broken its agreement. If they come under the Superannuation Act they lose this gratuity, and the Penitentiaries Act stated that they would not lose it.

Mr. ROBB: I will have the matter looked into, but I do not know that anything has been taken away.

Mr. McGIBBON: Take the case of a widower with children over eighteen years of age; if he dies what becomes of his contributions?

Mr. DUNNING: My hon. friend speaks of children over eighteen years of age. Subsection 3 of section 7 of the act says:

> If a contributor dies while in the civil service and leaves no widow and no child under the age of eighteen years, the governor in council may grant to the dependents of the contributor, in accordance with regulations made by the governor in council under the provisions of section eleven of this act, an amount not exceeding the amount of the contributions made by the contributor under the provisions of this act without interest.

That is, there is power now to make that allowance to dependents provided there is no widow and no children under eighteen.

Mr. McGIBBON: It is not obligatory, but permissible.

Mr. DUNNING: Each case is treated on its merits.

Mr. McGIBBON: It strikes me there would be a large number of those cases. I think something should be put in the act so that these people would know what position they were in.

Mr. DUNNING: In practice the dependents always get it.

Mr. McGIBBON: I would like the minister to give us an assurance of that.

Mr. CANTLEY: What is meant by dependent in that case?

Mr. DUNNING: The words are:

> "Dependent" of a contributor means and includes the father, mother, brother, sister and child of a contributor who is at the date of death of the contributor dependent upon the contributor for support.

That answers also the question of my hon. friend from Muskoka. The section I read previously uses the word "dependent."

Mr. McGIBBON: As long as it is reasonably certain that the amount of money they contribute will be returned I am satisfied.

Mr. DUNNING: Yes, provided they are dependents.

Mr. NEILL: Would the minister not consder striking out of the clause the words which require the civil servant to pay four per cent interest on the arrears of his contribution?

Mr. ROBB: No.

Mr. NEILL: That is the condition in which the government originally passed the act, and presumably the government feel the same way about it to-night. It was changed in the Senate, but perhaps the Senate would be more inclined to accept it now.

Mr. ROBB: This brings it into harmony with the act as passed by the Senate last year, and I would like it to go through in this shape. I do not want to take any chances.

Mr. McGIBBON: Does that money go back to them whether the children are actually dependent or not?

Mr. DUNNING: Under this section they have to be dependent.

Mr. McGIBBON: I think that is unfair. I daresay thousands of men have come under that provision in the act; they have been forced for ten or twenty years to contribute five per cent of their earnings, and when they die the money cannot be collected for their children.

Mr. DUNNING: Oh no.

Mr. McGIBBON: Am I wrong?

Mr. DUNNING: I can only quote the law to my hon. friend:

"Dependent of a contributor" means and includes a father, mother, brother, sister or child of a contributor who at the date of death of the contributor is dependent upon the contributor for support.

Mr. McGIBBON: That is the point I make; it spoils the whole thing. You take part of a man's estate, and although he may have children over eighteen years of age that he would probably want to educate, the fact that they are over that age makes it impossible.

Mr. DUNNING: My hon. friend understands that if they are dependent upon the contributor for support, even though they are over eighteen they come within the provision.

Mr. McGIBBON: There are very few children over eighteen years of age who would benefit.

Mr. DUNNING: But there are a good many fathers and mothers.

Mr. McGIBBON: True, but a great many of them may be dead.

Section agreed to.

Sections 5 to 9 (inclusive) agreed to.

Bill reported, read the third time and passed.

CIVIL SERVANTS' WIDOWS' ANNUITIES

Hon. J. A. ROBB (Minister of Finance) moved the second reading of Bill No. 232 to provide annuities for the widows of certain civil servants.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Johnston in the chair.

Section 1 agreed to.

On section 2—"Contributor"—"Widow".

Mr. SPENCER: Would the chairman kindly read each section? Some members have not had time to peruse the bill.

Mr. SPEAKER: Mr. Chairman, may I raise my voice in favour not of the widows but of other dependents of old civil servants? I have in mind the case of a bachelor who has a sister, and should he unfortunately die, she will be left absolutely penniless. He has asked me to use my influence with the Minister of Finance to insert an amendment in the bill which would provide for the dependents of unmarried civil servants.

Mr. ROBB: Mr. Chairman, we have had representations similar to that just made by His Honour the Speaker on behalf of other classes of dependents. It has taken us more than two years—as a matter of fact it is not quite complete, but complete enough for this purpose—to estimate the cost to the country of including widows in the annuity benefits, and if we are to take in bachelors' relatives and others, I say frankly to the House that I will withdraw the measure because I am not in a position to tell the country how much extra cost would be incurred.

Mr. McGIBBON: I suggest that the minister take in fishermen and miners.

Mr. ROBB: Not in this bill.

Mr. GARDINER: Mr. Chairman, if I understand the situation correctly, this is an enlargement of the provisions already in force. Will the minister explain the bill a little more fully so that we may have a better grasp of its purpose?

Mr. ROBB: I will present the memorandum which I have here in explanation of the bill:

This bill provides for the payment of annuities to widows of contributors to superannuation funds Nos. 1 and 2 who died in service or after superannuation.

Any contributor to those funds who remained in the service after July 19, 1924, was eligible to transfer to the new fund, which provides for annuities to widows of contributors to the fund who die in service or after superannuation.

If, on such transfer, the contributors do not make good the difference between the contributions actually made to the old funds and five per cent, the rate required under the new act, the widow's allowance is one-fourth of the husband's allowance.

This proportion has been taken as the basis for the allowance to widows under this bill. The bill provides for annuities to widows equal to one-fourth the allowance the husband received or would have received if he had been retired at the date of his death.

Mr. MANION: If a man in the civil service pays money into any superannuation fund, is it not paid back to his dependents after his death?

Mr. ROBB: I do not know of any cases where that is not done.

Mr. MANION: I have had a number of complaints at different times of men who have paid into the superannuation fund for several years, but on their death the money has not been applied for the benefit of their relatives. It seems to me that under no circumstances should money so paid into the superannuation fund be kept back from the relatives.

Mr. ROBB: Where there are dependent relatives they always get the money.

Mr. GARDINER: Will the minister state from what source the funds for these annuities will come?

Mr. ROBB: This will come out of the consolidated revenue fund. The estimated total cost this year is about $105,000.

Mr. CAMPBELL: If a widower dies leaving a family all over the age of eighteen, do his children receive anything out of the fund, or has he simply been paying into the fund out of his salary without any prospect of compensation so far as his dependents are concerned?

Mr. ROBB: This has nothing to do with the fund. My hon. friend was not following me when I read the memorandum as to those who were eligible under this bill.

Mr. CAMPBELL: I am merely asking a question as to the position of a widower under the present superannuation act. If he dies there is no widow to get the money and if his children are all over eighteen it would appear that his contributions go for nothing.

Mr. ROBB: My hon. friend is conflicting this with the old act.

Section agreed to.

Section 3 agreed to.

On section 4—Remarriage.

Mr. CANTLEY: I take it that the Treasury Board is to constitute itself censor of the morals of widows.

Mr. ROBB: No, but someone must stand up for the taxpayers, including my hon. friend, who pays taxes. There must be some board to determine in these cases who should be entitled to come under the act. This makes provision for those who remarry. Surely my hon. friend does not want the country to pay everybody in the land indiscriminately.

Mr. CANTLEY: No, but I believe in the country carrying out its contracts.

Mr. BROWN: Judging by the remarks that are made here, and by what was said by civil servants who appeared before the committee when we were drawing up this measure, the idea seems to prevail that we are building up an estate for people to leave to whomsoever they please. That is not the case. It is intended to provide for the declining years of civil servants and their immediate dependents. Once let us free our minds of the notion that we are creating estates for civil servants to dispose of as they please, and we shall get rid of some of the difficulties that appear to worry us about seeming injustices to people who do not get back all the money they put in. This legislation is intended to relieve distress under certain conditions and not to build up estates.

Section agreed to.

Bill reported, read the third time and passed.

CUSTOMS ACT AMENDMENT

The House resumed, from March 24, consideration in committee of Bill No. 172, to amend the Customs Act—Mr. Euler—Mr. Johnston in the chair.

The CHAIRMAN: When the House was last in committee on this bill section 15 was under consideration.

Mr. EULER: On the last occasion an objection was raised to the fact that the amount of $200 provided for in this section might be regarded as including the duty. My colleague the Postmaster General has an amendment to move in this regard.

Mr. VENIOT: I move that section 15 be amended to read:

(a) If the value for duty of the goods is under $200, be further liable on summary conviction before two justices of the peace to a penalty not exceeding $200 and not less than $50, or to imprisonment for a term not exceeding one year and not less than one month, or to both fine and imprisonment; and

(b) If the value for duty of the goods is $200 or over, be guilty of an indictable offence and liable on conviction to a fine of $500, or to imprisonment for a term not exceeding seven years and not less than one year; or to both fine and imprisonment.

Mr. BROWN: I think that "dutiable value" would be a happier expression.

Mr. VENIOT: No, the term used is the usual customs term.

The CHAIRMAN: Shall clause 15 as amended carry?

Mr. GUTHRIE: Before it is carried I think I can express the regret of a good many hon. members on this side that the minister in charge of this bill has surrendered.

Mr. EULER: To whom?

Mr. GUTHRIE: To some of his own followers, after the rather courageous stand which he took in this House when the bill was last under discussion.

Mr. EULER: I made this suggestion the other night when the bill was under discussion. The only actual change made is with regard to the value for duty.

Mr. GUTHRIE: The committee will remember that when the bill was last under discussion, the minister's own supporters were not prepared to accept the measure in the form in which the government presented it to the House. I believe that the bill as printed and presented to the House was in the form recommended by the committee as a result of the investigation last year.

Mr. EULER: No.

Mr. GUTHRIE: It carried out the idea of that committee and was drafted by the government to carry out their recommendation. We had the spectacle here the other evening of this bill being vigorously attacked by the government's own supporters, to such an extent in fact that the Minister of Finance, who was leading the House at the time, had to give up the fight and ask that the committee rise. Throughout a rather strenuous evening the Minister of Customs stood well to his guns and he showed some spirit and some courage. We on this side regret that he has surrendered at last and that he has come before the committee to-night with a prearranged amendment which one of his colleagues has moved reducing the penalty by providing for an alternative penalty of fine or imprisonment, or both, whereas the government's proposal originally was that the penalty for those guilty of this offence of smuggling where the value of goods was over $200 should be fine and imprisonment. I regret that the minister and the government have surrendered in this matter.

Mr. EULER: Just one word in reply to my hon. friend. He has repeated the word "surrender" quite frequently. He ought to know because he was here himself, that this very suggestion was made on the evening when this bill was debated before. Moreover I explained at that time that the word "and" was an error; that it was never intended to put the word "and" in the section and it should not be there.

Mr. GUTHRIE: Such errors do not occur in government bills.

Mr. EULER: There is absolutely no surrender in any respect whatever. The bill is exactly the same as when I proposed it with the one exception that we are adding the words "value for duty" so that the duty itself will not be added to the value so far as the penalty is concerned. That is all that has been done.

[Mr. Guthrie.]

Mr. GUTHRIE: I have made my protest.

Mr. EULER: I wish to say to my hon. friend that I resent his suggestion that I have surrendered in any respect whatever. The bill is exactly as it was before with the exception of the addition of the words "value for duty."

Mr. MANION: Perhaps it is very far from a surrender when the minister brings in the change on Friday night when all those members who talked on the matter have left for their homes.

Mr. ROSS (Moose Jaw): It is pretty nearly time that the government and the opposition both realize that the elected representatives of the people should have something to say in framing the legislation of the country.

Mr. CLARK: Did you cause the surrender?

Mr. ROSS (Moose Jaw): No, there has been no surrender.

Mr. ADSHEAD: In estimating the value for duty are narcotics and liquor that are smuggled included?

Mr. EULER: It includes all kinds of merchandise.

Mr. ADSHEAD: And narcotics?

Mr. EULER: Yes.

Mr. ADSHEAD: Narcotics and liquor should be entirely separate.

Mr. EULER: Narcotics are dealt with under the Narcotics Act.

Mr. ADSHEAD: I understood the minister to say that they came under this law.

Mr. EULER: They come under the Customs Act as well but they are dealt with under the Narcotics Act.

Mr. ADSHEAD: The Postmaster General suggested the other night that where there was an officious officer reference was made to the department before prosecution took place. I think that is rather an objectionable system. As I remember it last year—I was not in the House but there was a good deal of election talk on the matter—there was a gentleman by the name of Moses Aziz who took part in an election campaign and was recommended to be prosecuted for smuggling liquor. His case was sent to the department and the papers

were left there for several weeks because the minister was too busy to deal with them. The opposition took occasion to say it was purposely done because he was a favourite of the government. I do not say that, but I do maintain that the reference to the department of the question as to whether or not a man should be prosecuted lends itself to the accusation of patronage or favouritism in the interests of party. I really think it should be left to some independent tribunal, not connected with the department, to decide whether the man charged with smuggling should be prosecuted or not.

Mr. HEAPS: In subsection (a) those guilty of smuggling have to be tried before two justices of the peace and are liable to a penalty not exceeding two hundred dollars and not less than fifty dollars, or to imprisonment for a term not exceeding one year and not less than one month, or to both fine and imprisonment. That is where the value of the goods is under $200. Does the same thing apply in paragraph (b)? Will an offender under paragraph (b) be tried before two justices of the peace?

Mr. EULER: Under paragraph (b) we deal with indictable offences. If the offender so desires, instead of being tried before two justices of the peace he may be tried by a judge and jury.

Mr. ADSHEAD: Will the minister give consideration to my suggestion in regard to an independent tribunal to decide whether men charged with smuggling shall be prosecuted or not?

Mr. EULER: Does the hon. member mean with regard to an amendment to this bill?

Mr. ADSHEAD: Will the minister take the matter into consideration?

Mr. EULER: I shall be glad to do that.

Section agreed to.

On section 16—If articles not found sum equal to the value forfeited.

Mr. EULER: These clauses are all of the same nature, and we are making the same change with regard to the value for duty.

Mr. VENIOT: I move that section 16 be amended by striking out the word "and" in the third line of subparagraph (b) of subsection (2) and inserting in place thereof the word "or"; and by adding at the end of subparagraph (b) the words "or to both fine and imprisonment," and by inserting the words "for duty" after the word "value" in the first line of subparagraph (a) of subsection (2) and in the first line of subparagraph (b) of subsection (2).

Mr. EULER: This makes only this change: It makes the value for duty $200 instead of having the duty included, for instance, in the invoice price. The other change makes it optional whether the penalty is to be fine or imprisonment. That is the whole purpose of the amendment.

Mr. GLEN: The first sentence of subsection (2) reads:

If the articles so forfeited or any of them are not found—

And so on. What is the meaning of these words? If the articles are not found, how will it be possible to arrive at their value?

Mr. EULER: From any other available evidence. For example, there might be invoices.

Mr. GLEN: If the minister will refer to the section that is being amended, it reads:

If any goods are imported into Canada in any vehicle, other than a railway carriage.

And so on. This is only the interpretation or elucidation of the section. Subsection 2 reads:

If the articles so forfeited or any of them are not found, the owner at the time of importation, and the importer, and every other person who has been in any way connected with the unlawful importation of such articles, shall forfeit a sum equal to the value of the articles.

Mr. EULER: You might be able to get at the books of the exporter so as to ascertain the value.

Mr. GLEN: The minister misunderstands me. Articles might be brought into Canada by some vehicle, and those articles would be forfeited, but if they are not found how can you arrive at their value? And if you cannot arrive at their value, how can you lay a prosecution under this section?

Mr. PETTIT: The value might be very small, as shown in evidence before the justice of the peace. I would suggest that the value there be the value as fixed by the government appraiser.

Mr. EULER: I would say again to the hon. member for Marquette (Mr. Glen) that there are various ways of arriving at the value of the goods even if they are not found.

The man might have invoices in his possession. You might have access to the books of the man who sold him the goods. That would establish the value, but until you have some knowledge of the value you cannot of course proceed in this way.

Amendment agreed to.

Section as amended agreed to.

On section 17—Forfeiture of sum equal to value if goods not found.

Mr. VENIOT moved:

That section 17 be amended by striking out the word "and" in the third line of subparagraph (b) of subsection (2) and inserting in place thereof the word "or;" and by adding at the end of subparagraph (b) the words "or to both fine and imprisonment," and by inserting the words "for duty" after the word "value" in the first line of subparagraph (a) of subsection (2) and in the first line of subparagraph (b) of subsection (2).

Mr. MANION: This has the same effect as the other amendment?

Mr. EULER: Yes.

Amendment agreed to.

Mr. DONNELLY: The fourth line of paragraph (a) reads:

Not exceeding $500 and not less then $50.

Should that not be $200?

Mr. EULER: That is right.

Mr. VENIOT: I move that the word "five" be changed to "two" in the fourth line of paragraph (a).

Amendment agreed to.

Mr. QUINN: Is the same mistake not made in paragraph (b)?

Mr. EULER: No. That is correct. The offence is an indictable one.

Section as amended agreed to.

On section 18—Conductor and employees.

Mr. VENIOT: There is a similar amendment to be moved to this section as was made to section 17, and I move accordingly, Mr. Chairman.

Amendment agreed to.

Section as amended agreed to.

On section 19—Vessels used in conveying liable to forfeiture.

Mr. VENIOT moved:

That clause 19 be amended by striking out all the words after the word "offence" in the fifth line of subsection 3 of proposed section 196, and inserting in place thereof the following: "to a fine of five hundred dollars or to imprisonment for a term not exceeding seven years and not less than one year, or to both fine and imprisonment," and by inserting the words "for duty" after the word "value" in the ninth line of subsection 2 and in the third line of subsection 3.

Amendment agreed to.

Section as amended agreed to.

On section 20—Procuring persons to assist in smuggling.

Mr. EULER: This section deals with the procurer. As it stands here, the procurer is regarded as a greater offender than the smuggler himself. That would not be fair. and we are going to recast this section in such a way that the procurer will be punishable in exactly the same way as the smuggler himself.

Mr. VENIOT: I move:

That section twenty be amended by striking out all the words after the word "customs" in the sixth line of proposed section one hundred and ninety-seven, and inserting in place thereof the following:—shall

"(a) If the value for duty of the goods is under two hundred dollars, be liable on sum mary conviction before two justices of the peace to a penalty not exceeding two hundred dollars and not less than fifty dollars for every person so procured, hired or induced, or to imprisonment for a term not exceeding one year and not less than one month, or to both fine and imprisonment, and,

(b) If the value for duty of the goods is two hundred dollars or over, be guilty of a indictable offence and liable on conviction to a fine of five hundred dollars for every person so procured, hired or induced, or to imprisor ment for a term not exceeding seven years and not less than one year, or to both fine and imprisonment."

Mr. McLEAN (Melfort): Does that mean that he shall be liable for a term of one year and not less than one month for every offence? From the way the amendment has been read I take it that the fine is for every offence, but that there is only one single term of imprisonment provided for. I think the intention probably was to make the punishment imprisonment for every offence.

Mr. EULER: If one person procures half a dozen other people there is only one term of imprisonment, and that is for the procurer.

Mr. McLEAN (Melfort): There will be six fines, but only one term of imprisonment for the procurer if he is found guilty? I think that is hardly fair. If a procurer induces three persons to smuggle goods across, he may be fined by the courts $600 or not

less than $150, if he is proven guilty, but as against that he can only be given a sentence up to twelve months and not less than one month. It might be more profitable for him to take the imprisonment.

Amendment agreed to.

Section as amended agreed to.

Mr. EULER: Section 23 has not been carried, Mr. Chairman.

On section 23—Placing dutiable goods in building upon the boundary line.

Mr. VENIOT: I move to insert the word "or" in place of the word "and" in the twenty-fourth line, page 9 of the bill.

Mr. MANION: Was this a mistake of the draftsman using the word "and" instead of "or" all through the bill?

Mr. EULER: Yes, it was the intention to make the punishment optional, but the bill was drafted the other way. That was in the mind of the draftsman, but not in the mind of the minister.

Mr. MANION: The minister is sincere about that?

Mr. EULER: Quite so.

Mr. MANION: He actually looks it.

Mr. EULER: I stated that the other evening when the question first came up. I read the explanation which had been placed in my hand, and which stated that it was within the discretion of the court to inflict either fine or imprisonment or both, and hon. members behind me found fault with that and said: No, it is obligatory on the court to inflict imprisonment. I was surprised, and when the House met after eight o'clock I made the explanation that it was not so intended, and it certainly was not, according to the information I gave the House before we rose at six. We are making these changes all through the bill to conform exactly with the intention in the first place. There is no surrender.

Mr. MANION: The minister made so many explanations that we cannot be expected to remember them all. However, if my hon. friend from Melfort, who found most complaint, is satisfied, I do not see why we should complain about it over here.

Mr. McLEAN (Melfort): I was simply trying to make this bill more workable, more efficient, so that the country could be rid so far as possible of smuggling. I can tell my hon. friend that I and my constituency are not interested in smuggling, for two reasons: We do not believe in it, in the first place, and we are too far away from the border. My intention in speaking the other night was simply to make the bill more workable, because if you make the penalties too severe, such as the justices will not care to inflict, your object is defeated. That was experienced in Ontario in connection with the Ontario Temperance Act. Magistrates would not send their neighbours to gaol for breaches of the law. The hon. member for Fort William will realize in the near future that if his law and regulations have not the sympathy of the magistrates, the law will not be given effect to. That was the only purpose I had in speaking the other night. It was to help the minister draft a law that would be satisfactory.

Mr. MANION: I wish to congratulate my hon. friend from Melfort and the Minister of Customs. They both seem to be satisfied tonight.

Amendment agreed to.

Section as amended agreed to.

Mr. CANTLEY: Will the minister give us some information about section 21?

Mr. EULER: That was passed the last time the bill was before the House.

On section 25—Being on board of smuggling vessel.

Mr. EULER: I move that section 25 be struck out. There is no necessity for it.

Mr. MANION: Is this part of the retreat?

Mr. EULER: No. We had thought of making every person found on board a boat carrying smuggled goods prove he was innocent of smuggling. Perhaps it is going a little too far, and I am willing to have the section struck out.

Mr. MANION: We have learned that people on boats are not always guilty.

Motion agreed to.

On section 37—Counsel fees.

Mr. EULER: I move to strike out this section. It merely has reference to fixing counsel fees in the discretion of the court, and has nothing whatever to do with smuggling.

Mr. MANION: Have you any more lawyers you wish to appoint as counsel?

Motion agreed to.

On section 38—Maximum penalty.

Mr. EULER: I move that we strike out subsection 2 of 285A section 38. That deals

with the powers of magistrates to suspend sentence. We thought it was a little severe. We are quite willing to leave it to the judges whether a sentence be suspended or not.

Mr. MANION: It has been suggested that instead of imposing a penalty for the offence we should give a medal to those who get through with it.

Mr. EULER: Will my hon. friend donate one?

Motion agreed to.

Section as amended agreed to.

On section 39—Distribution of proceeds.

The CHAIRMAN: An amendment was moved by the hon. member for Winnipeg North Centre—

That all the words after the word "repealed" in the nineteenth line to the word "forfeiture" in the twenty-sixth line be struck out.

Mr. EULER: I ask the committee not to insist on this amendment. It deals with the matter of informers and the paying of informers. There is great difficulty in getting these informers to work if they do not receive their pay quickly after giving the information. It is most unfortunate that we have to use these men, but it is necessary. This has particular reference to the matter of informing in regard to the smuggling of liquor, and it usually becomes advisable for the informer not to remain in the neighbourhood long after he gives the information, yet he ought to be paid.

Mr. HEAPS: Were we not informed that the person who lays the information respecting the smuggling of liquor receives no money at all?

Mr. EULER: If the liquor is sold he certainly gets his share of the proceeds.

Mr. HEAPS: The liquor or the cash?

Amendment (Mr. Woodsworth) negatived.

Section agreed to.

Section 40 agreed to.

Preamble and title agreed to.

Bill reported, read the third time and passed.

CANADA GRAIN ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture, for the Minister of Trade and Commerce) moved the second reading of Bill No. 235, to amend the Canada Grain Act.

[Mr. Euler.]

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Johnston in the chair.

Sections 1 and 2 agreed to.

Mr. MANION: Does this bill cover all the amendments that it is intended to make to the Canada Grain Act?

Mr. MOTHERWELL: Yes.

Bill reported, read the third time and passed.

ST. JOHN HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 226 relating to the harbour of St. John in the province of New Brunswick.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Johnston in the chair.

On section 1.

Mr. HANSON: Mr. Chairman, after some conversation with the Minister of Railways I understood that his was the first bill to come up to-night and that none of these harbour bills would be dealt with. The members interested have, I think, left the chamber on that understanding.

Mr. MACKENZIE KING: If my hon. friend does not wish to proceed with this bill we can take up another, but I may say to him that the bill dealing with the Halifax harbour is almost verbatim et literatim with this, and we thought that if we could get through one of them to-night we might save that much time.

Mr. MANION: If the member for York-Sunbury (Mr. Hanson) has no objection, and the Prime Minister is agreeable, we might dispose of this bill with the exception of one clause, for I think the member for St. John-Albert (Mr. MacLaren) would like to be present before the measure is finally disposed of. Maybe the minister in charge of the bill can give us an explanation of its purpose.

Mr. CARDIN: Mr. Chairman, this bill is simply to incorporate the harbour commission of St. John along the same lines as the harbour commissions of Montreal and Vancouver, and it contains practically the same clauses as are in the acts relating to those two harbours. We might proceed with the bill, and if it contains anything which is not satisfactory to my hon. friend we can reserve it to be dealt with when we reach the third reading. I may say that the bill has been submitted to the city council of St. John and they have accepted it.

Mr. MANION: I do not doubt at all what the minister says, but I should like the member for St. John to state his views. I observe that he is here now.

Mr. MacLAREN: I understand, Mr. Chairman, that the mayor and city council of St. John are willing to accept the bill as drawn.

Mr. VENIOT: I might add that recently I had an interview here with representatives of the city council of St. John and they are favourable to the bill. Besides that, the mayor has wired me that he is perfectly satisfied with its terms. There is necessity for immediate action on the adoption of this bill because the legislature of the province is sitting, and should this bill pass they will have to enact legislation empowering the city of St. John to conduct a plebiscite under its act of incorporation. If there is no serious objection to any of the clauses, it would be well to put the bill through to-night so that the legislature could be advised on Monday and proceed with their legislation.

Mr. MacLAREN: I trust that we will proceed with the bill now. There are many urgent reasons for putting the bill through at the earliest opportunity.

Mr. HANSON: I am quite agreeable to the passage of the bill. I was simply waiting until the members directly interested were in their seats. The city of St. John owns a very substantial amount of harbour property. Is there any provision in the bill for taking it over? If so, at what price?

Mr. CARDIN: Yes, at an agreed price of $2,135,000.

Mr. JELLIFF: I have not had an opportunity to look over the bill. Will the control of grain operations fall under the jurisdiction of the Board of Grain Commissioners?

Mr. CARDIN: That is my information.

Mr. VENIOT: Under the regulations they have power to make any rules for handling the traffic of the port.

Mr. HANSON: I am anxious to see this bill pass, but the success or failure of the harbour under a commission will depend very largely on the cost to be borne by the traffic going through the port. Does this bill provide that the tolls or rates to be charged by the harbour commission shall be subject to the approval of the governor in council?

Mr. CARDIN: Yes.

Mr. JELLIFF: I should like an answer to my inquiry, Mr. Chairman.

Mr. CARDIN: My understanding is that the grain traffic in the local elevators will be under the control of the grain board.

Mr. SPENCER: Are the tolls charged by the harbour commission subject to approval by the governor in council?

Mr. CARDIN: Yes, the tolls have to be approved.

Mr. SPENCER: Is that the case with regard to the Vancouver harbour board?

Mr. CARDIN: That is the case with all harbours.

Mr. KELLNER: I do not think the Vancouver harbour commission is under the jurisdiction of the department so far as the operation of elevators is concerned. The tariffs charged by the elevators are not subject to the approval of the governor in council and when any change is required it is simply referred to the Board of Grain Commissioners.

Mr. STEWART (Edmonton): My hon. friend is speaking of the grain elevators?

Mr. KELLNER: Yes.

Mr. STEWART (Edmonton): That is different from the harbour commission. In that particular case the elevators are operated by the harbour board. Of course, tolls charged by the elevators are subject to the Board of Grain Commissioners.

Mr. HANSON: Is it the general policy to confer powers of expropriation upon harbour commissions? Powers of expropriation are extreme, and I see by section 13 that this power is conferred on the corporation. I appreciate the fact that it may be necessary, but in such legislation passed in the province of New Brunswick it is customary where this power is granted to make it subject to the approval of the lieutenant governor in council. Of course, if that is not the practice in Dominion legislation I have no objection, but if this is a departure I think the approval of the governor in council should be required.

Mr. CARDIN: This provision appears in the other acts. It involves capital expenditure which of course must be passed on by the governor in council.

Mr. HANSON: I appreciate that, but it is hardly the point I make.

Mr. BELL (St. John): An understanding has been arrived at, I believe, between the city of St. John and the minister, and the terms of the bill as presented are quite satisfactory. I should however like to make a suggestion here with regard to tolls. I have

been asked by the city council to find out whether it would be possible for the government to consider including in the bill the following provision:

Rates, tolls and charges for the conduct of business shall not at present be imposed in excess of those now in force and such rates, tolls and charges shall be fixed from time to time so as to enable the port of Saint John to compete successfully with other ports and places on the Atlantic seaboard in the United States of America or elsewhere.

Mr. CARDIN: It would not be practical to fix the rates, which must depend upon the circumstances of the port. If we fixed the rates by statute we should be obliged to come back to parliament to make such changes as might be found necessary. The rates are determined by the commission and submitted to the governor in council for approval, and that I think is the proper way to deal with the matter.

Mr. MacLAREN: I understand that the provisions of this bill are similar to those in other acts relating to harbour commissions.

Mr. CARDIN: Absolutely.

Mr. VENIOT: The rates will be fixed by the port of St. John, in whom the city council will have faith.

Mr. BELL (St. John): I do not think there is any desire on the part of the city to introduce any contentious question. In the past there has been some trouble in the matter of rates and the city council would like to have something definite enacted in this regard. However, if that is not possible the bill as drawn will be satisfactory. I do not bring the question up for the purpose of criticizing the bill.

Mr. CARDIN: This bill is framed to meet the recommendations of the Duncan commission, before whom representatives of St. John appeared and gave evidence. As regards the rates to be charged, I think we may safely leave this matter to the harbour commission; they will undoubtedly look after the interests of the port of St. John. The commission will comprise men residing in the locality and taking a special interest in the development of the port, and it is only natural to assume that they will frame their schedule in such a way as to attract trade to the port. It is much better, I think, to leave the matter to a commission of local men rather than to officers residing in Ottawa. We should have some confidence in the men who are to be appointed as commissioners and we can safely rely on them.

[Mr. T. Bell.]

Mr. BELL (St. John): That explanation is satisfactory.

Mr. HANSON: The minister will agree that the success or failure of the traffic through the port will depend on whether the tolls are reasonable or excessive.

Mr. CARDIN: Certainly.

Mr. HANSON: And naturally the rates will be made as attractive as possible. I have no further objection to offer.

Mr. GARDINER: With reference to the question raised by the hon. member for Lethbridge, as to whether any elevators that may be established will come under the grain commissioners, I would remind the minister that in 1925 when the new grain act went through —I am speaking from memory of course— provision was made for putting all harbour commission elevators under the control of that board. It may be necessary to include in this bill a section putting in the same category the elevators in this case. I will look up the act of 1925 and in the meantime perhaps the minister will let this section stand.

Mr. CARDIN: On the third reading of the bill we can deal with my hon. friend's suggestion.

Mr. GARDINER: That will be satisfactory.

Section agreed to.

Sections 2 to 5 inclusive agreed to.

On section 6—Harbour limits defined.

Mr. HANSON: Are there any parts of the harbour that are exempted?

Mr. CARDIN: None excepting the ferry landing and certain lots for fishing purposes.

Section agreed to.

On section 13—Expropriation of land.

Mr. HANSON: Is not the expropriation power given to the corporation in this section too wide? If the power to expropriate is made subject to the approval of the governor in council I shall be perfectly satisfied. In New Brunswick it has not been customary to grant such power to private corporations or public corporations without the consent of the governor in council. That is the only suggestion I have to make with regard to this clause.

Mr. CARDIN: The clause as framed is practically a reproduction of the clause which appears in the statutes relating to other har-

bour commissions. We thought it would not be fair to place the harbour commission of St. John in a different position from that of other harbour commissions.

Mr. HANSON: Well, I have thrown out the suggestion.

Section agreed to.

Sections 14 to 32 inclusive agreed to.

On the preamble.

Mr. GARDINER: Before the preamble is carried I would ask if there should not be a provision in the bill for an annual audit of accounts of the harbour board?

Mr. CARDIN: There is already provision for an audit in the Revenue and Audit Act. My hon. friend will also find that there is provision in one of the clauses for an officer of the Marine and Fisheries department making an investigation and audit of the books and affairs of the harbour commission. I think therefore, that the question of an audit is already adequately provided for. However, the matter can be raised again on the third reading of the bill if my hon. friend deems it necessary to take that course.

Mr. GARDINER: It is quite proper that an officer of the department should make an independent audit, but what I had reference to more particularly was the desirability of an annual audit. If the minister will find out whether these harbour commissions come under the Audit Act and will let us know when the bill comes up for third reading, I think that will be satisfactory.

Mr. CARDIN: I can state to my hon. friend now that they do come under the Audit Act.

Mr. GARDINER: There is another point I may as well bring forward at this particular time, and that is that members of the House should have a little more information with regard to the financial standing of these harbour commissions, which are very important bodies having the control of public property. But we do not get any reports from them as to their financial condition and how they carry on their business. I would suggest to the minister that it might be advisable to supply hon. members with a copy of the annual statement of the different harbour commissions so that we can get in better touch with the business they are doing. I am satisfied that would save a good deal of trouble both to the minister and to the commisioners themselves. If we are in possesion of full information on these matters we would probably not be so suspicious as we are sometimes inclined to be.

Mr. CARDIN: I think it is already provided that information of the character asked for shall be supplied to members of the House.

Mr. GARDINER: In that case I shall only ask that the minister ascertain whether an audit is provided for under the Audit Act and give us that information when the motion for third reading is made.

Mr. CARDIN: I feel sure that provision for an audit of the accounts of harbour commissions is made in the Audit Act, but I will ascertain beyond doubt and inform my hon. friend.

Mr. HANSON: Is it an independent audit or a departmental audit?

Mr. CARDIN: It is made by the Board of Audit which has been created to carry out work of that character.

Mr. HANSON: If that is so it should be satisfactory.

Mr. CARDIN: I think there is an error in section 25 which I have just noticed. It is provided that the corporation may "in the following cases seize and detain any vessel within the limits of the province of Nova Scotia". That is manifestly an error.

Mr. HANSON: In my copy of the bill it is "New Brunswick".

Mr. CARDIN: My copy is wrong then.

Mr. MacLAREN: In my copy it reads "within the limits of the province of New Brunswick".

Mr. CARDIN: Then the error has been corrected in other copies of the bill.

Mr. HANSON: May I draw the minister's attention to the fact that the bay of Fundy is partly within the province of New Brunswick and partly within the province of Nova Scotia and that it has been looked upon as a mare clausum. Has the minister given any consideration to that matter? I am just suggesting it for his consideration.

Mr. CARDIN: I will give consideration to that point.

Preamble agreed to.

Bill reported.

Mr. CARDIN moved the third reading of the bill.

Mr. GARDINER: It was understood that this bill would not be read a third time to-day.

Mr. SPEAKER: Next sitting of the House.

Motion stands.

LONG TERM FARM LOANS

CONCURRENCE IN SENATE AMENDMENTS

Hon. J. A. ROBB (Minister of Finance) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 62, for the purpose of establishing in Canada a system of long term mortgage credits for farmers.

Mr. GARDINER: Are these amendments satisfactory to the minister?

Mr. ROBB: The bill as it passed the House of Commons was identical with the bill which passed the House of Commons last year, with the exception of two small amendments, one in section 5 subsection (2), in which the shares of the board are declared to be non-transferable. The amendment in the House of Commons was to insert after the word "transferable" the words "except at the option of the board." The bill, as it comes back to the House for concurrence is in exactly the same form as the bill which was concurred in by the House last year, with the exception of the provision for recognition of colonization societies, and this was an amendment made by the House of Commons itself.

Motion agreed to; amendments read the second time and concurred in.

SPECIAL WAR REVENUE ACT, AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved the second reading of Bill No. 230, to amend the Special War Revenue Act, 1915.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

Section 1 agreed to.

On section 2—Power to determine fair price.

Mr. GARDINER: Will the minister explain the last paragraph in section 2?

[Mr. Cardin.]

Mr. ROBB: In some cases companies have set up subsidiary organizations to whom they sell their products, and taxes are paid on values lower than the fair market price. The present section is designed to protect our revenues against this.

Section agreed to.

On section 3—Regulations.

Mr. MANION: Before we go on with this bill, might I suggest to the minister that the ex-Minister of Finance, the hon. member for West Calgary (Mr. Bennett) is not present. I have no particular objection to this bill going on provided that we report progress on the last clause and, if necessary, allow any discussion on the last clause when the bill comes before the committee again. Will that be satisfactory?

Mr. ROBB: That will be all right.

Section agreed to.

Sections 4 to 7 inclusive agreed to.

On section 8—Trustees, assignees, executors, et cetera, to obtain certificate that all charges are paid before distribution.

Mr. MANION: This is the clause that is to be held up. I believe the bill regarding the Halifax harbour commissioners is to go through, and then I think we shall have done a fairly good day's work.

Progress reported.

HALIFAX HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 225, respecting the Halifax Harbour Commissioners.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Johnston in the chair.

On section 1.

Mr. GARDINER: These two bills respecting the harbour commissions at Halifax and St. John are not exactly the same. Will the minister explain the difference?

Mr. CARDIN: They are exactly the same except that in the case of St. John, the harbour was under the control of the city, was city property, and we had to assume certain obligations of the city of St. John. That was not the case in Halifax. That is the only difference.

Section agreed to.

Sections 2 to 17 inclusive agreed to.

On section 18—Borrowing powers.

Mr. GARDINER: I notice that in this bill, as in the other one, we are granting certain borrowing powers. Does that mean that the commission will have power to float bonds and debentures, or will they have to come to this House just like the other commissions when they want to borrow money?

Mr. CARDIN: Everything they borrow has to be approved by the governor in council. They can borrow money and give as a guarantee the revenue of the port, but all subject to the approval of the governor in council.

Mr. GARDINER: Is this a similar section to that contained in the other acts?

Mr. CARDIN: Yes.

Mr. GARDINER: It is to give the governor in council an opportunity of looking over the proposed borrowings, and probably to keep the commissioners from landing into the mess the Vancouver harbour commissioners got into?

Mr. CARDIN: We have the power to stop any borrowing.

Section agreed to.

Sections 19 to 27 inclusive agreed to.

On section 28—Powers of corporation not to be restricted by provincial statutes.

Mr. MacNUTT: This section says:

Notwithstanding anything contained in any act of the late province of Nova Scotia or of the new province of Nova Scotia—

Might I ask what is meant by the late province of Nova Scotia and the new province?

Mr. CARDIN: That relates to certain by-laws which have been passed by the city of Halifax with the authorization of the provincial government.

Section agreed to.

Section 29 agreed to.

On the preamble.

Mr. GARDINER: I presume the minister will give the same understanding here with regard to the elevators being brought under the grain commission?

Mr. CARDIN: Yes.

Preamble agreed to.

Bill reported.

Mr. MACKENZIE KING: There is one order here for the consideration of amendments made by the Senate to Bill No. 61, to amend the Soldier Settlement Act. The government is prepared to accept those amendments. and if hon. gentlemen opposite have no objections we might take that up now.

Mr. MANION: I do not think it will take any time at the next sitting of the House. I myself would not object but there are some members who are not present now who might wish to discuss them.

On motion of Mr. Mackenzie King the House adjourned at 11.27 p.m.

Monday, April 4, 1927

The House met at three o'clock.

BUSINESS OF THE HOUSE

MORNING SITTINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to move:

That on and after Tuesday, the 5th of April, 1927, until the end of the present session, the House shall meet at 11 o'clock in the morning of each sitting day, and that in addition to the usual intermission at six o'clock p.m. there shall also be an intermission every day from one to three o'clock.

Hon. HUGH GUTHRIE (Leader of the Opposition): Will my right hon. friend consider the suggestion of including Saturday next in that motion?

Mr. MACKENZIE KING: I thought of holding that in reserve for the present until we see what progress we make by meeting in the morning on and after to-morrow.

Mr. H. E. SPENCER (Battle River): I would like on behalf of this part of the House to protest against this motion. Various very important committees are sitting this week right until next Friday, and many of us would like to be in the House and in the committee at the same time. This of course is impossible. It seems to me that if the work is so pressing or if we are so anxious to get away from this parliament, we are not justified, when some of us ought to be attending committees, in starting morning sitttings. For that reason I hope the House will not accept the motion.

Mr. M. N. CAMPBELL (Mackenzie): I would like to suggest to the Prime Minister that the House, instead of meeting at eleven o'clock in the morning, meet at two o'clock in the afternoon. That would be a difference

of just one hour and I think we would get through just as much business. Every possible effort is being made by members on the opposition benches to assist the government and to facilitate business. In view of that and in view of the rate at which we are getting through business, I see no reason for starting morning sessions at this particular time. Every member has a great deal of work to do other than attending the sessions of the House, and if a member has to sit in the chamber from eleven o'clock in the morning until eleven at night it is impossible for him to do justice to his work. If the Prime Minister would take into consideration sitting at two o'clock in the afternoon, we would get through business just as well as by sitting in the morning.

Mr. G. G. COOTE (Macleod): If I had any assurance that we would have to sit only from eleven o'clock in the morning until eleven o'clock at night, I would not feel so strongly against this resolution. I have a clear recollection of the last weeks of the previous session when, although we started at eleven o'clock in the morning, we sometimes had to sit in this chamber until six o'clock the following morning. If I were sure that this motion would accomplish the end which we have in view I would not oppose it. On Tuesday last we sat here from three o'clock in the afternoon until five minutes to midnight so that three hon. gentlemen could each make a speech. I do not know how those hon. gentlemen are going to get along when we apply the new rule limiting them to forty minutes. We have spent four days in discussing the Imperial conference report and we have not yet arrived at a decision. As a matter of fact there was no motion before the House to discuss except the motion to go into committee of supply.

I want to voice a protest against what appears to be unreasonable haste to wind up this session. Last year along about the 1st of July I stated in this House that I wanted to go home and many members made a good deal of fun at my expense because I used that expression. I still want to go home when the business of the House is concluded; but last year when I made that statement parliament had been sitting for about six months. This year parliament has been sitting not quite two months. One reason why I am rising in protest against this motion is because I have received numerous telegrams from ex-service men's associations throughout Canada protesting against parliament proroguing in such a hurry and using that as an excuse for not bringing in some further legislation dealing with ex-service men's problems. Might I quote one sentence from a letter written to me recently by Mr. Lapp, superintendent of the service bureau of the Canadian Legion? He said:

> The Canadian Legion of the British Empire Service League now appeals to you in the name of those who were disabled by war service and the dependents of those whose breadwinners gave their lives in the service of Canada, to remain on duty at your seat in the House of Commons of Canada for a sufficient length of time to fully consider these matters.

Many other members have been receiving similar telegrams, and I say, through you, Mr. Speaker, to the members of the House and of the government that it really does not look quite right for this House to make such an effort to conclude its sittings this week. While I am very anxious to return home whenever the work of the session is completed, I do not think any hon. member can contradict me when I say that if this House prorogues this week or even by Wednesday night of the following week, the estimates must be put through in a manner that will not permit proper consideration.

Mr. MANION: As they always are.

Mr. COOTE: My hon. friend says, "as they always are." I think that is a good argument for something I have often urged in this House, and that is that the estimates be sent to a select committee for consideration, but I have never been able to get the House to adopt that suggestion. I do not suppose that I shall be able to prevent this House sitting morning, afternoon and evening, or even all night, if it wants to do it, but I simply want to make my protest as a member of the House.

Mr. L. J. LADNER (Vancouver South): I should not be doing what I deem to be my duty if I let this opportunity pass without a reference to one question which concerns me so far as it relates to the adjournment of the House, and that is in connection with soldier legislation. I too have received communications of various kinds, and I have felt, and I feel, that the responsibility is really upon the government for not having brought down this legislation some time ago, and they should not give as an excuse now for not bringing

it down the desire on the part of members for an early close of the session. As far as I am concerned, and I believe that a great many other hon. members feel the same way, for the fellows and the dependents of those who spent four years in the trenches in France on our behalf, we can well afford to spend one day or four days or a week or a month, if need be, to deal with any soldier legislation that may be necessary, especially in view of the shortness of this session. In that respect, therefore I protest, and I say that the government should deal with that legislation, and should not offer as an excuse for not doing so the desire for an early prorogation of the House.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I can assure my hon. friend who has just spoken (Mr. Ladner) that the government's desire in the matter of closing at a certain date has nothing whatever to do with its decision with respect to legislation relating to the returned soldiers. The Minister of Soldiers' Civil Re-establishment (Mr. King) made a statement to the House last week in which he gave the reasons why the government thought it inadvisable to amend that act this year beyond the one or two amendments that the minister mentioned would be brought in. I can assure my hon. friend, having regard to the number and character of the representations the minister has received, it would not be possible for the government, even if we were to be here for another month, to arrive at a decision different from that already reached in regard to those particular phases of legislation respecting returned soldiers.

I would say to my hon. friend from Macleod (Mr. Coote), who spoke of sitting late at night, that I do not think he will find anyone on this side of the House, certainly not on the government benches, who will desire any more than he does to sit up after eleven at night or midnight. The purpose of starting in the morning at eleven o'clock is if possible to get through by eleven o'clock at night, rather than running on until two or three o'clock in the morning. There does appear to be a general desire on the part of all members of the House, as far as I have been able to gather, to conclude the business by the Easter recess.

Some hon. MEMBERS: Hear, hear.

Mr. MACKENZIE KING: We may not be able to do that, but I think if we begin the morning sittings at once, we shall very soon ascertain whether we can or not, and it is with that purpose in view that the government has introduced this motion, which I hope the House will accept.

Mr. COOTE: Would the Prime Minister then be good enough to accommodate hon. members who may be attending some committee of the House when some item in which they are interested comes up, by postponing consideration of it until they can be here?

Mr. MACKENZIE KING: That is an entirely reasonable request. I might say that the government will endeavour in every way to meet the convenience of members of the House, and if they will just speak to the whips we will seek to have the business so arranged as to best suit the convenience of all.

Motion agreed to.

IMMIGRATION ACT AMENDMENT

REPEAL OF PROVISION FOR DEPORTATION OF CERTAIN CLASSES

Hon. ROBERT FORKE (Minister of Immigration and Colonization) moved for leave to introduce Bill No. 269, to amend the Immigration Act.

Some hon. MEMBERS: Explain.

Mr. FORKE: Mr. Speaker, this is the same bill that passed the House last session but failed to pass the Senate. I think the purpose of the bill will be best explained by reading the section of the Immigration Act which it is proposed to repeal. This bill repeals section 41 of the Immigration Act, chapter 27 of the statutes of 1910, as enacted by chapter 26 of the statutes of 1919. The repealed section reads as follows:

41. Every person who by word or act in Canada seeks to overthrow by force or violence the government of or constituted law and authority in the United Kingdom of Great Britain and Ireland or Canada, or any of the provinces of Canada, or the government of any other of His Majesty's dominions, colonies, possessions or dependencies, or advocates the assassination of any official of any of the said governments or of any foreign government, or who in Canada defends or suggests the unlawful destruction of property or by word or act creates or attempts to create any riot or public disorder in Canada or who without lawful authority assumes any powers of government in Canada or in any part thereof, or who by common repute belongs to or is suspected of belonging to any secret

society or organization which extorts money from or in any way attempts to control any resident of Canada, by force or by threat of bodily harm, or by blackmail, or who is a member of or affiliated with any organization entertaining or teaching disbelief in or opposition to organized government shall, for the purposes of this act, be deemed to belong to the prohibited or undesirable classes, and shall be liable to deportation in the manner provided by this act, and it shall be the duty of any officer becoming cognizant thereof and of the clerk, secretary or other official of any municipality in Canada wherein any such person may be, forthwith to send a written complaint to the minister, giving full particulars: Provided, that this section shall not apply to any person who is a British subject, either by reason of birth in Canada, or by reason of naturalization in Canada.

2. Proof that any person belonged to or was within the description of any of the prohibited or undesirable classes within the meaning of this section at any time since the fourth day of May, one thousand nine hundred and ten, shall, for all the purposes of this act be deemed to establish prima facie that he still belongs to such prohibited or undesirable class or classes.

I might add that we are repealing section 41 because section 40 of the Immigration Act really covers all that is necessary in regard to sedition and similar offences against the state.

Motion agreed to and bill read the first time.

DOMINION ELECTIONS ACT AMENDMENT

VOTING BY TEACHERS AND STUDENTS

Mr. L. P. BANCROFT (Selkirk) moved for leave to introduce Bill No. 270, to amend the Dominion Elections Act (Voting by teachers and students).

Some hon. MEMBERS: Explain.

Mr. BANCROFT: This bill seeks to amend paragraph (c) of section 29 of the Dominion Elections Act, which reads as follows:

Who has ordinarily resided in Canada for at least twelve months and in the electoral district wherein such person seeks to vote for at least two months immediately preceding the issue of the writ of election.

As the election writs are usually issued about two months before election day, the present act disfranchises all persons who change their places of residence during four months immediately preceding the date of an election.

School teachers begin their duties about September 1st and students in the higher institutions about October 1st.

Every federal election since 1896 has been held during the fall months. All teachers and students who, in following their respective duties, change their place of residence at the beginning of the school year, are disfranchised under the present act.

This amendment exempts teachers and students from paragraph (c) of section 29, provided that they can satisfy the registrar that they are otherwise qualified to have their names placed on the voters' list.

This amendment affects approximately 61,000 teachers and 120,000 students.

Motion agreed to and bill read the first time.

CRIMINAL CODE AMENDMENT

BLASPHEMOUS LIBELS

Mr. J. S. WOODSWORTH (Winnipeg North Centre) moved for leave to introduce Bill No. 271, to amend the Criminal Code (Blasphemous libels).

Motion agreed to and bill read the first time.

DIVORCE COURT—ONTARIO

Hon. G. B. JONES (Royal) moved for leave to introduce Bill No. 256, (from the Senate), to provide in the province of Ontario for the dissolution and annulment of marriage.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

PAYMENTS BY BANKRUPT ESTATES

Mr. BOYS:

1. How many estates of bankrupts have paid fifty cents on the dollar or over?
2. How many have paid less than fifty cents?
3. How many bankrupts have received a discharge since the introduction of the act?

Hon. Mr. CANNON:

1, 2 and 3. The Minister of Justice has no information.

DAIRY CATTLE IN CANADA

Mr. CAYLEY:

1. What is the number of dairy cattle in Canada?
2. What proportion are pure breds?
3. What is the average yield of milk per cow if known?
4. What is the estimated cost to carry a cow for one year?
5. What is the probable value of her products for a year?
6. Has the government any policies in effect looking to the improving of this situation; if so, what are these policies?
7. How many inspectors are employed throughout Canada in R.O.P. work among dairy cattle?

Hon. Mr. MOTHERWELL:

1. According to the Dominion Bureau of Statistics the number of milch cows in Canada for 1926 was 3,951,335.

2. Approximately 1.7 per cent.

3. The annual production of the average dairy cows is estimated at 4,000 pounds; the average production of cows supervised under the cow testing system of the Dominion Live Stock branch for the last five years is 5,924 pounds milk—(eight months period); the average mature record of pure bred cows of the various breeds entered in the record of performance in 1925 was 11,175 pounds.

4. The feed cost of a dairy cow, as fed on the average farm, for one year would be between $50 and $60.

5. The average value of products per cow is approximately $60 per annum, on the basis of $1.50 per hundredweight for milk.

6. Yes. The Canadian record of performance system, under which production records of pure bred herds are supervised by the department. Inspectors visit the herds with reasonable frequency about eight times per year. The inspector stays for two days on each occasion; checks the weights recorded; makes the butter fat test for each cow entered, and reports milk yield recorded at the time of his visit in comparison with that recorded during the days immediately preceding. The herd owner obtains information of great value to him regarding the merits of all the cows in his herd as a result of these tests. The primary purpose of the work is to provide production credentials for the dams of dairy bulls, and under this system, a policy of advanced registration of dairy bulls based on the record of performance test is in operation.

7. At present the number of inspectors on the record of performance staff is 41, but the staff is being increased by ten additional inspectors.

BOVINE TUBERCULOSIS—COMPENSATION

Mr. LUCAS:

1. In what year were the first cattle slaughtered in Canada for bovine tuberculosis?

2. What total number of cattle have been slaughtered in Canada for bovine tuberculosis to December 31, 1926?

3. What total amount of compensation has been paid for cattle slaughtered in Canada for bovine tuberculosis to December 31, 1926?

Hon. Mr. MOTHERWELL:

1. The first cattle destroyed in Canada for tuberculosis by the Dominion Department of Agriculture were slaughtered in the fiscal year 1915-16.

2. By the Dominion Department of Agriculture, 73,609.

3. $4,190,574.51.

CONFERENCE ON HOG INDUSTRY

Mr. KENNEDY:

1. Does the Minister of Agriculture propose calling a commission to discuss the swine policy of the Dominion?

2. If so, when, and why is such a conference necessary?

3. Have the invitations for a conference gone out? If so, to whom, and has any provision been made for members of parliament for representation at the conference?

4. What will the conference aim to accomplish for the hog raisers and hog feeders?

5. Have the packers submitted a report to the minister or to the department on the present marketing situation? If so, will the minister lay a copy of this report on the table of the House?

6. When was the conference held at which it was decided to pay the ten per cent premium, and was it understood at this conference that the ten per cent premium would be permanent?

7. In view of the official statement by the government some time ago to the effect that bacon grading would be placed under government regulations, what has been done to develop such regulations both in regard to bacon for export and for distribution to the retail trade of Canada?

8. Are any experiments being conducted or is a definite study of the system of distribution in Canada under way at the moment which would likely provide information for the further development of a bacon policy in Canada provided fixed differentials have to be discontinued?

9. Have the packers been active in endeavouring to popularize the discontinuance of the ten per cent premium?

Hon. Mr. MOTHERWELL:

1. Yes.

2. (a) The conference is called for April 22 and 23. (b) In view of the fact that the agreement between the packers, the producers and the departments of agriculture was arrived at in a general conference, it has seemed to the Department of Agriculture to be advisable to call a similar conference to further discuss the whole situation, in view of the packers having given notice that they propose to discontinue the payment of the ten per cent premium.

3. Yes, the invitations were sent to the following:

Provincial Ministers of Agriculture: Hon. Mr. Stewart, Charlottetown, P.E.I.; Hon. Mr. Walker, Halifax, N.S.; Hon. Mr. Smith, Fredericton, N.B.; Hon. Mr. Caron, Quebec, P.Q.; Hon. Mr. Martin, Toronto, Ont.; Hon. Mr. Prefontaine, Winnipeg, Man.; Hon. Mr. Hamilton, Regina, Sask.; Hon. Mr. Hoadley, Edmonton, Alta.; Hon. Mr. Barrow, Victoria, B.C.

Swine Breeders associations: R. W. Wade, Canadian Swine Breeders Association, Truro; F. L. Fuller, Maritime Stock Breeders Association, Truro; A. Morin, Quebec Swine Breeders

Association, Quebec; R. W. Wade, Ontario Swine Breeders Association, Toronto; J. E. Rettie, Manitoba Swine Breeders Association, Brandon; R. G. Robertson, Saskatchewan Swine Breeders Association, Regina; W. J. Stark, Alberta Swine Breeders Association, Edmonton; G. Pilmer, B.C. Swine Breeders Association, Victoria.

Live Stock associations: D. Brien, Eastern Canada Live Stock Union, Ridgetown; K. Learmonth, Western Canada Live Stock Union, Regina; J. W. Ward, Canadian Council of Agriculture, Winnipeg.

Coöperative organizations: J. J. Morrison, U.F.O., Toronto; Secretary, United Farmers Coöperative, Toronto; F. Bateman, U.F.A., Calgary; E. Rice-Jones, U.L.G., Winnipeg; J. A. Paquet, Coöperative Federee, Montreal.

Railways: W. J. Black, C.N.R., Montreal; J. S. Dennis, C.P.R., Montreal.

Live Stock Exchanges: A. W. Burrell, Edmonton; J. C. Paulin, Calgary; J. C. Hackney, Moose Jaw; F. P. Bugee, Winnipeg; W. H. Shields, Toronto; M. G. Donovan, Montreal (Point St. Charles); J. E. Fauvreau, Montreal (east end).

Meat packing establishments: S. E. Todd, Toronto, Ont.; Canadian Meat Packers, Toronto; Sims Packers, Ltd., Charlottetown, P.E.I.; Davis & Fraser, Charlottetown, P.E.I.; Gainers, Ltd., S. Edmonton, Alta.; P. Burns & Co. Ltd., Calgary, Alta.; Eastern Abattoirs Ltd., Montreal, P.Q.; Gunns, Limited, Toronto, Ont.

No special provision has been made for members of parliament for representation at the conference, but there will be no objection to any member attending if he is interested.

4. The conference will be invited to consider the future of the hog industry, having in mind its continued improvement and its present relation to world markets.

5. (a) Yes. (b) A copy of this report is attached.

6. (a) The original swine conference was called on November 2nd and 3rd, 1921. (b) The resolution as passed at the 1921 conference reads as follows:

Resolved that all interests represented at the conference agree that the future of the Canadian hog industry depends upon the production in Canada of select bacon hogs, and declare themselves unreservedly for the principle that a minimum premium of ten per cent should be paid for hogs suitable for the production of Wiltshire bacon.

There was considerable discussion about the permanence of the premium on the part of producers' representatives, the opinion being voiced that it might be temporary. Following this discussion Mr. Fox of the Wm. Davies Company made the statement in discussing the matter that he saw "no reason why the premium should not be permanent." Another statement made by Mr. Fox was " I myself have no doubt that it is going to last indefinitely." Following Mr. Fox's remarks Mr. McLean, Harris Abattoir Company stated as follows: "The most important thing that Mr. Fox said in supporting the resolution was that our interest at any rate lies along the line of this being not for six months or a year but forever." Following this discussion an opportunity was given to the packers to express themselves individually. The packers intimated that they were in accord with the motion. It was then put to the meeting and carried unanimously.

7. Tentative plans were outlined some three years ago with the view to providing for the official grading of bacon for export, but for reasons which seemed good at the time, these were not put into effect. With regard to the retail trade in Canada no official action has been taken in this direction.

8. Informal investigations of this subject have been made.

9. No information.

Copy of Packers' Statement Submitted at Recent Meeting of Packers' Representatives, Joint Swine Committee and Government Officials

At a conference of all parties interested, held in November of 1921, plans were made to encourage the production of the kind of hogs required to supply the British market with the best quality of bacon.

Two specific actions were agreed upon, the one interlocking with the other. The first was that market hogs should be divided into grades by Dominion government graders. The second was that where differences in price were paid for the various grades such differences should be on a minimum basis of ten per cent of the grade of "select bacon" hogs over the second grade, the "thick smooth" hogs. Thus the "thick smooth" grade became the basic grade for pricing purposes. Price differentials for the other grades were left to market conditions to establish. The policies adopted were, of course, purely experimental, no one having exact knowledge of how they would work out in practice. The understandings arrived at could not then, and cannot now, be looked upon as being permanent.

As the policy was put into operation two big factors began to emerge that complicated the carrying out of the understanding.

1. It had been hoped that the premium of 10 per cent was to be a minimum premium and that it would be widened. But as the general quality of the hogs improved the difference in value between the "select" and the "thick smooth" grade narrowed instead of widening, owing to the better quality of the latter grade. Thus, whereas in the beginning there was a wide difference in value between the average quality of the "thick smooth" grade and the "select" which might have justified the

10 per cent premium the improvement of the "thick smooth" grade tended to narrow the difference in value to a point below 10 per cent. The premium which we believe was always recognized as an artificial and arbitrary figure adopted for the purpose of encouraging improvement became more artificial as time went on.

2. It was found if not impossible certainly impracticable to more than partially organize the sale of hogs by farmers in such a manner as to have each farmer paid for his hogs according to quality produced. As the whole object of the policy was intended to do just that thing, the whole effort was weakened to the extent that the plan failed to accomplish its object, i.e. the payment of the individual farmer for his hogs according to grade.

Other difficulties might also be cited, such as conditions at Montreal where because very few of the hogs were used for the British trade a scheme intended to operate mainly in connection with this trade was very difficult to apply and finally when applied functions only in an arbitrary manner and is practised only by a few of the total number of operators on the Montreal markets.

But in spite of the difficulties encountered the effect has undoubtedly been to direct the efforts of all farmers in Canada to the production of a better quality of hogs. Even in the districts where hogs never have been bought on grade the hope that by the production of a better article more money might be received for it has been a factor sufficiently strong to effect improvement. By modifications which would have placed price differentials on a more natural basis and by organization in other ways most of the difficulties that were encountered probably could have been overcome. But seven or eight months ago a catastrophe overtook our industry which could not be foreseen or the full effects measured until some months after it began to operate. It is now only too plainly evident that a number of factors working together have at least for the time being ruined our trade with Great Britain. It came so suddenly and its effects were so severe that before the exporting packing plants could determine what to do it had cost the packers several millions of dollars and resulted in a most severe drain on their finances.

During the greater part of the year 1925 and 1926 the margin between the cost of feed in America to produce hogs and their selling price has been very wide, the profit over the cost of feed running from $7 to $10 per hog on a 200-pound hog. Thus even countries that had to buy their feeds from us could easily increase production and undersell us on the British market without loss and indeed, until lately, at a fair margin of profit. The general level of prices for bacon and hogs has been for years, excepting for short periods, quite high and this has encouraged such poor countries as the Baltic states of Europe to go into the bacon business.

But the main factors that brought about the sudden collapse of the market was due to causes that originated in Britain. These were the embargoing of fresh pork imports from Holland and the weakening of the purchasing power of consumers through the effect of the great coal strike. The embargo took effect in June and in the ensuing six months Holland turning from the fresh pork trade to cured bacon sent over 60,000,000 pounds to the British market. The Baltic states increased their exports during 1926 over 1925 by about 31,000,000 pounds. This flood of European bacon coming on top of the greatly weakened buying power of the people caused prices to collapse.

In the United States and Canada, however, hog prices did not follow the course of bacon prices in England. Hog production in the United States was away below normal and prices remained far above the relative values of bacon in England. It is this situation that has been the biggest factor of all in forcing Canada out of the English market. Packers hoped for some time that it could not continue and that the high prices for hogs in the United States would increase production, but there does not now appear to be any quick solution of the problem by this means.

For a short period during the early part of 1926 bacon prices justified high prices for hogs in Canada. It had been a common experience of our packers to have prices of bacon drop below hog values and then come back again. If packers were hopeful of the situation hog prices often did not follow these drops in bacon values. So after bacon prices began to drop in 1926 hog prices carried along at an unjustifiable level, creating excessive losses which might have been minimized if the progressive nature of the decline could have been realized at the start. Finally hog prices came into line with prices in the United States. But the decline in bacon prices was so great that the loss was as serious as ever.

TABLE OF PRICES

Hog Prices Toronto		Cost of Wiltshire	Selling Price	Loss or Gain Per Cwt
S.B.	T.S.			
$15 22	$13 88	131/–	115/–	*16/–
15 00	13 69	119/–	122/–	† 3/–
15 31	13 95	126/–	120/–	* 6/–
16 27	14 83	127/–	127/–	....
16 43	14 96	133/–	112/–	*23/–
15 42	14 08	125/–	120/–	* 5/–
13 98	12 75	115/–	114/–	* 1/–
14 19	12 94	116/–	111/–	* 5/–
13 60	12 40	113/–	105/–	* 8/–
11 82	10 79	101/–	95/–	* 6/–
12 22	11 15	103/–	97/–	* 6/–
12 98	11 85	108/–	87/–	*21/–
12 70	11 57	106/–	95/–	*11/–

*Loss †Gain

Thus the losses mounted with astonishing rapidity. Canadian packers loath to abandon their natural market held on long after they should have curtailed their shipments. Finally, their finances drained to the limit, they have had to almost abandon the British market, at least for the present. With the collapse of the British trade, packers have been forced to seek other markets, mostly in the United States. But in these markets our special type of hog receives no special consideration. Temporarily the select bacon grade when used for its special purpose, the British trade, sells at a greater loss than the other grades when they are used in the domestic trade or exported to the United States. In the domestic trade both the "select bacon" and the bacon type "thick smooth" hogs are superior to the fat type and poor quality thick smooths and the other grades. In the United States markets there are practically no differences in value for any of our grades of hogs, except of course, roughs, sows and stags.

Thus 10 per cent premium, always artificial, and even with normal conditions in the British market, becoming somewhat difficult, has now become impossible except under special conditions. Where production conditions are such that the percentage of shops, heavies, etc., allow of deductions that balance the premium the system though not justifiable might possibly be maintained were it not for the export of hogs to the United States. Buyers for these markets not being able to realize any difference in value for the different grades avoid offerings of hogs with any considerable percentage of "selects" or pay a flat price for all grades. In the district and for the shipments of hogs having the biggest percentage of "selects" the greatest difficulties have arisen. It must be recognized that where the biggest percentage of "selects" are produced the hogs as a whole are of superior quality, so that hogs in these districts really are worth more for the domestic trade. But while this is true, nevertheless it is largely a fact that the bigger the percentage of "selects" the bigger the loss to the export packer if paid for on grade. Thus in Ontario where the biggest percentage of "select" hogs are produced and which is also in close proximity to the high priced eastern United States market at Buffalo the situation has been most acute and the buying of hogs on grade has largely collapsed. The effect of flat buying in competition with a certain amount of buying on grade has been to produce unfortunate anomalies. The hogs of southwest Ontario are from the standpoint of our domestic market our poorest hogs, but are accepted on the Buffalo market at the highest price for their weights of that market. Prices for Ontario hogs are largely being based on the price of southwest Ontario hogs and "thick smooths" throughout the rest of Ontario must be merely equal to the flat price of "southwest" hogs. Thus the extra cost of selects is badly out of line with the general value of products. In the west the same condition exists but because the percentage of selects is generally low and the "outweight" grades comparatively high it has been possible to maintain to a great extent an artificial condition.

What then is to be done about it? There does not appear to be any prospect of a quick return of normal production in the United States. There is also the possibility that the corn borer will make serious inroads in the United States corn belt within the next four or five years. The Baltic states of Europe will undoubtedly try hard to maintain their output. Poland has a population of about 28,000,000, largely agricultural, which must be reckoned with. Holland being a dairy country will continue a very considerable hog production and there is no reason to suppose that she and Denmark will not be able to maintain their present efficiency.

[Mr. Motherwell.]

On the other hand sooner or later Europe and America must arrive at corresponding levels of prices for hogs and pork products. Before the war our European competitors were large producers of hogs, a great part of the products being absorbed by Germany, France and Austria. As these countries return to normal industrial activity this condition must eventually return. After all hog production cannot exceed grain production. Formerly Denmark, Holland, Sweden and Germany purchased much of their hog feeds from Russia, Transylvania and Roumania. If any of these countries now go into hog production it reduces the grain available for export. It does not seem that Europe, unless it increases its grain production, can as a whole greatly increase its hog production. Temporarily the British market may be loaded with European product. Lastly, it does not appear that the United States will for some years at least be a natural market for our hog products. When normal production returns they will not longer want our hogs. If our hogs at any time are a menace to the United States farmers they will probably close them out by raising the tariff. We now have to pay a duty of ½ cent per pound on live hogs, ¾ cent on fresh pork and 2 cents on processed pork. Thus our prices have to trail after the United States prices and if prices in the United States go down to something near their cost of production they will be below our costs which will force us to return to the British market.

So at least until the time comes when we can see the future more clearly we cannot afford to lose sight of the British market. Up to the present time almost the total burden of the struggle to maintain connection with that market has fallen on the packers. Are our farmers prepared to do something to maintain the possibilities of a return to that market? All that is required is to continue the present policy of breeding the bacon hogs. This will not cost anything as our hogs will sell at least on a par with the American hog. Suppose that at the worst the bacon bred hog brings no premium, by maintaining his blood lines the farmer will be able to return to the British market whenever the time is opportune.

It was to be expected that the artificial means set up in 1921 to accomplish a specific purpose would eventually have to be placed on a natural basis. Eventually each grade of hogs would have had to seek their real level of value whatever that level was and the plan would have had to be modified to establish natural conditions. If our normal markets had been maintained this could almost certainly have been done to considerable advantage to the industry. But it must be recognized that there is now a serious danger of making a change because the change cannot but be dras-

tic in its working. For these reasons packers have given months of consideration to the matter. It is greatly desired to retain graded buying to as great an extent as possible. But it is also recognized that it is useless under present conditions to try to set up anything even of a modified kind of artificial arrangement. Therefore, it is proposed that the grading be continued and each grade be priced according to its value. If the bulk of our surplus hogs or their product is exported to the United States any differentials between the grades will have to depend on the values established by the domestic market. If the British trade returns the high class bacon hog will return to its own. In the meantime the bacon hog blood can be retained and increased without any sacrifice by our farmers.

The Dominion Department of Agriculture has assumed a great responsibility and work in connection with the grading of hogs, and the popularizing of the bacon hog ideal. The Provincial Departments of Agriculture have given most valuable and able coöperation. It is fitting at this time that full credit should be given to the officers who have been engaged in the enterprise of building up the quality of our hogs. Confronted with this new situation the task of these bodies in continuing improvement work may be more difficult, but in view of the possibilities of the future the work, is we believe, still of utmost importance. It is unfortunate that such changes as eventually would have been necessary in the grading plans could not have been worked out at a time when market conditions permitted a clearer view on which to formulate policy, but as we are dealing with conditions beyond our control we think it must appeal to the judgment of everyone that the only sound policy is to put into operation a system that is and will be sound under any conditions that may arise."

RESTRICTED AREA FOR BOVINE TUBERCULOSIS

Mr. MILLAR:

1. What is meant exactly by a restricted area for bovine tuberculosis?
2. How many such restricted areas are there in Canada?
3. Where are they located?
4. How many cattle are there in each of these restricted areas?
5. How many reactors were found on the first test?
6. What percentage of cattle tested reacted to the first test?
7. What was the cost of compensation in each area in the first test?
8. How frequently are the cattle in such areas retested?
9. What are the advantages of such areas?
10. Has the government in mind the establsh-ing of any more of these restricted areas?
11. If so, where?
12. If so, when?
13. What are the rates of compensation paid for slaughtering animals?
14. Is compensation paid for all reactors?
15. Does the province or the municipality play any part in the bringing of an area under this policy?
16. Who pays compensation for reacting cattle that are slaughtered?
17. Are there any such areas in the United States, and how is compensation paid there?

Hon. Mr. MOTHERWELL:

1. A restricted area is a definite specified territory constituted by order-in-council a quarantined area in so far as bovine tuberculosis is concerned for maintenance as a bovine tuberculosis free area.

2. Six.

3. (a) The province of Prince Edward Island; (b) The parish of Manor Sutton in the county of York and the parish of Flume Ridge in the county of Charlotte, in the province of New Brunswick; (c) The counties of Beauharnois, Chateauguay and Huntingdon in the province of Quebec (d) The municipalities of Roland, Dufferin, Thompson and Grey in the province of Manitoba; (e) The municipalities of Longlaketon, McKillop, Millington, Last Mountain Valley, Mount Hope and Wreford, in the electoral district of Last Mountain in the province of Saskatchewan; (f) An area of approximately 5,600 square miles extending from the gulf of Georgia to Agassiz, bounded on the south by the international boundary and on the north and east by the Dominion railway belt, in the province of British Columbia.

4, 5, 6, 7.

	No. of cattle in area	No. of reactors at first test	Percentage of Reactors	Compensation Paid
P. E. I. area	94,772	561	0.59	$ 14,194 00
N.B. area	2,642	20	0.76	513 33
Quebec area	52,446	4,172	7.95	150,785 00
Manitoba area	22,892	1,306	5.7	43,062 00
Saskatchewan area	21,417	176	0.8	5,240 00
B.C. area	46,174	3,643	7.9	124,010 00

8. This depends upon the percentage of infection in an area; the greater the infection the more frequently are general tests conducted.

When the infection has been reduced to less than one per cent an interval of three years may occur between general tests.

9. The advantages of such areas include all those resulting from the maintenance of healthy cattle. As all cattle in an area are tested, all reactors destroyed and all infected premises cleansed and disinfected, a clean area is provided for the healthy cattle, and infection of clean herds reduced to a minimum.

10. Yes.

11. The government's object is to establish a restricted area in each province and to gradually increase these areas. Their location will depend upon the applications which may be received.

12. At any time the necessary funds are available.

13. Maximum compensation for a grade animal is $40 and for a pure bred $100.

14. Compensation is not paid for reacting grade bulls, steers, nor for reacting cattle with lumpy jaw, but is paid for all other reactors.

15. The regulations provide that applications may be made to the Dominion Department of Agriculture, by the Minister of Agriculture of the provincial government, stating that the province is desirous of federal aid in the eradication of bovine tuberculosis from a restricted area, upon and subject to the provisions of these regulations. The provincial government must agree to assist in the enforcement of the regulations by conducting prosecutions of persons accused of obstructing, or refusing to assist federal inspectors engaged in the work of testing cattle, and of persons who in any way refuse to obey the regulations,

16. The Dominion Department of Agriculture.

17. Yes. They are termed modified areas. Have no definite information regarding manner in which compensation is paid, but understand the state, county and municipality contribute.

LEAMINGTON POSTMASTER

Mr. GOTT:

1. Has the Postmaster General recently dismissed or caused to be dismissed, Major W. G. Gidley, postmaster at Leamington, Ontario?

2. If so, what charges were preferred against him, and by whom?

3. Was he given any chance to defend himself of the charges made?

4. If it could be proven that the charges were false and without foundation, would the department consider reinstatement?

5. Is the appointment of his successor permanent?

6. Who was appointed in his stead, and on whose recommendation?

7. Has a petition reached the department protesting against his dismissal?

8. What salary was paid the former postmaster?

9. When was Major Gidley appointed?

[Mr. Motherwell.]

10. Has proficiency at the Leamington post office been increased during his term of office?

11. What were the general reports on the work of the deposed official?

12. Was any investigation made locally at Leamington, or inquiry made following charges against Major Gidley, and if so, who advised and submitted reports on which the department saw fit to act?

Hon. Mr. VENIOT:

1. Yes.

2. A petition bearing 37 signatures was received complaining (a) of postmaster's refusal to distribute prepaid mail matter during last provincial election (b) of lack of courtesy towards public.

3. Yes.

4. Yes.

5. Temporary only—pending Civil Service Commission's selection.

6. Sam French, on the recommendation of the Postmaster General.

7. Yes.

8. Salary and allowance (1926-1927) $6,224.74, out of which he pays his own staff.

9. 26th July, 1920.

10 and 11. Inspection of 29th May, 1924—post office rated very good. Inspection of 10th February, 1925—post office rated good. Inspection of 14th April, 1926—post office rated good.

12. Yes. Investigation made by local inspector and report submitted by district superintendent, London.

HOME BANK LIQUIDATION

Mr. SPENCER:

1. How many shareholders had the Home Bank when it went into liquidation?

2. How many of these met their double liability?

3. What was the aggregate par value of the total shares?

4. To what amount did the shareholders meet the double liability as called for under the Bank Act?

5. What expectation is there of collecting the balance due under the said act?

Hon. Mr. ROBB:

1. 1,686.

2. 835 in full.

3. $2,000,000.

4. $756,765.52 paid to date.

5. The liquidators believe that a further substantial sum—uncertain in amount—will be realized.

POSTMASTERSHIP AT NEW ROSS, LUNENBURG

Mr. ERNST:

1. Was W. S. Barkhouse of New Ross, county of Lunenburg, granted a certificate by the Civil Service Commission for appointment to the postmastership at New Ross aforesaid, in or about the year 1925?

2. If so, what was the exact date of the grant of such certificate?
3. Was W. S. Barkhouse appointed to said postmastership?
4. If not, upon whose recommendation was such appointment refused?
5. What charge or charges were brought against Mr. W. S. Barkhouse's appointment?
6. By whom were such charges preferred?
7. Was Mr. W. S. Barkhouse advised of such charges and was he given an opportunity to answer them?
8. Is the present postmaster at New Ross a returned soldier?
9. Is W. S. Barkhouse a returned soldier?

Hon. Mr. VENIOT:

1. Yes.
2. 1st April, 1925.
3. No.
4, 5 and 6. On representations made by government candidate for constituency, and Mr. Samuel Hiltz of lake Ramsay to the effect that Mr. Barkhouse did not possess the confidence of the community, that he was not suitable and should not be entrusted with the management of the office.
7. No.
8. No.
9. Yes.

QUALIFICATIONS OF AVIATION OFFICER

Mr. PARENT:

1. What are the necessary qualifications to become an aviation officer?
2. In whom rests the authority of deciding the qualifications required by the candidates?
3. What is meant by commission of B. App. Sc.

Hon. Mr. RALSTON:

1. (i) Be a British subject.

(2) Medically fit for air force service as a pilot

and in addition

(3) Held a commission in the Royal Air Force.

or

A cadet of the Canadian Officers' Training Corps who has performed the requisite qualifying service and passed the practical examination for certificate "A" Canadian Officers' Training Corps.

Following a course of study as an undergraduate leading to a degree in applied science.

Unmarried.

Under 21 years of age at the commencement of the course.

Recommended by the military committee of the university as likely to become an efficient air force officer.

Give an undertaking to complete the whole course, both at university and the R.C.A.F. training station.

Have passed the approved tests and examinations.

Be recommended for a commission by the honourable the Minister of National Defence and gazettement approved by the governor general in council.

or

Be a first year student of the Royal Military College, who is recommended by the commandant as likely to become an efficient air force officer, or, a second year student of the Royal Military College who undertakes to continue air force training after graduation from the Royal Military College, and who is recommended by the commandant as likely to become an efficient air force officer.

Be over seventeen years of age on January 1st, in the year of the commencement of the course.

Give an undertaking to complete the whole course.

Have passed the approved tests and examinations.

Be recommended for a commission by the honourable the Minister of National Defence and gazettement approved by the governor general in council.

2. The Minister of National Defence.
3. B. App. Sc. is the abbreviation for Bachelor of Applied Science.

CANADIAN NATIONAL RAILWAYS—ROLLING STOCK

Mr. CANTLEY:

1. What number of refrigerator and stock cars not the property of the Canadian National Railways were employed in the movement of fruit, vegetables, fish or live stock within the provinces of British Columbia, Alberta, Saskatchewan, and Manitoba during, (a) the calendar year 1926; and (b) the months of January and February, 1927?
2. At what points did such cars enter Canada?
3. What was the number of such cars in Canada, February 28, 1927?
4. Where were such cars built, where owned, and by what company or corporation?
5. On what terms and at what cost were such cars secured for operation in the train service of Canadian National Railways?
6. What was the total amount paid as rental or hire of such equipment during the years 1925 and 1926?
7. What duty, if any, was paid on such railway cars?

Mr. SPEAKER: Dropped.

QUESTION PASSED AS ORDER FOR RETURN

CIVIL SERVICE APPOINTMENTS

Mr. LAVIGUEUR:

1. What number of civil servants have been appointed each year since 1921 by the Civil Service Commission, to higher salaries than $2,400?
2. How many are French Canadians?
3. What is the total number of appointments made by the Civil Service Commission for each respective year since 1921?

UNOPPOSED MOTIONS FOR PAPERS

GRADING OF HOGS AND BACON

Mr. SPENCER:

For a copy of all letters, telegrams, documents and other correspondence between the government of Canada and the meat packers of Canada with regard to the grading of hogs, payment of the ten per cent premium and the grading of bacon and for any report or reports submitted by the packers on the present marketing situation.

LEAMINGTON POSTMASTER

Mr. GOTT:

For a copy of all correspondence, letters, telegrams, reports, recommendations, communications or other documents of any kind pertaining to the appointment, connection and dismissal of Major W. G. Gidley, recent postmaster of the town of Leamington, Ontario, and the appointment of his successor.

INSPECTOR OF CUSTOMS, CALEDONIA, N.S.

Mr. ERNST:

For a copy of all letters, telegrams, documents and other correspondence between the Department of Customs or any officials thereof, and officials of the Customs department in the province of Nova Scotia, or any other person or persons, whether officials of such department or not, relating to the discharge of George Banks of Caledonia, in the county of Queens and province of Nova Scotia, as inspector of customs at the said place, and the appointment of his successor.

WEST RIVER STATION POSTMASTER

Mr. ERNST:

For a copy of all letters, memoranda, telegrams, reports and other documents or correspondence relating to the post office at West River Station, Nova Scotia, and the dismissal of Colin Mackenzie as postmaster thereof.

Right Hon. W. L. MACKENZIE KING: I do not object to the passing of the motion, but I desire to point out that according to the terms in which it is worded it does not relate to correspondence with any department of the government. It is broad enough to include correspondence with anyone. It reads, "Correspondence relating to the post office at West River Station." That may mean with the Public Works department or any other department. I think my hon. friend has reference only to correspondence with the Postmaster General.

Mr. ERNST: I am quite willing to have the motion corrected. I want only the correspondence with reference to the dismissal of Colin Mackenzie.

Mr. MACKENZIE KING: Correspondence with the Postmaster General?

Mr. ERNST: Yes.

Motion agreed to.

CONFERENCE ON HOG INDUSTRY

Mr. GARDINER:

For a copy of the records of the conference of packers, government officials and others, held in 1921, including discussion relating to hog grading, the ten per cent premium, bacon grading and resolutions.

EMPLOYMENT OF DISABLED VETERANS

On the Orders of the Day.

Hon. R. J. MANION (Fort William): I desire to ask the Postmaster General a question. I have received—and I think a number of other hon. members of the House have also received—telegrams and letter of various lengths and from various parts of the country, from war veterans associations and amputation associations, protesting against the proposed order that no amputation cases shall be allowed to sit for examinations to qualify for positions in the Post Office Department, the reason being that the efficiency of the post office service would be impaired by employing disabled men. While there is a question on the order paper in the name of the hon. member for London (Mr. White) in regard to this matter, I think the question is of such importance that it is worthy of notice at the present time, and I hope that no such unfair rule will be put into force.

Hon. P. J. VENIOT (Postmaster General): I am preparing an answer to be submitted to the House. There is a misunderstanding in certain respects, regarding this matter and I wish to have the answer properly prepared so that it will be fully understood when it is submitted to the House.

PENSION LEGISLATION

On the Orders of the Day:

Mr. L. P. BANCROFT (Selkirk): Mr. Speaker, I should like to draw to the atten-

tion of the government the following telegram:

Understand government has announced no pension legislation. Ask you impress government Legion amendments important, need immediate attention. Surely men who gave their health for Canada important as Georgian bay canal.

I want to ask the Minister of Soldiers' Civil Re-establishment (Mr. King) if it is not possible for the government to reconsider their decision and bring down amendments to the act along the lines suggested.

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment): Mr. Speaker, I made a statement on Friday regarding the government's position in relation to amendments to the Pension Act at this session. I then indicated that the resolutions and data brought before me by the various returned soldier organizations covered a very large field, and that it did not seem possible to give them the consideration that they should have while parliament was in session. But I did intimate that although the government could not consider extending the principles upon which pensions are granted, they had under consideration amendments to the Pension Act, and I suggested there would be several amendments introduced when Bill No. 234 is again in committee. I suggested, for instance, that it was my purpose to move an amendment extending the time from seven to nine years during which claims for pensions might be received. It is also proposed to bring in an amendment that where new evidence has been secured within a year, and placed before the Board of Pension Commissioners, there shall be a rehearing of the appeal. These amendments will be introduced when Bill No. 234 is again under consideration.

Mr. N. M. YOUNG (Toronto Northeast): Mr. Speaker, in spite of the statement made by the Minister of Soldiers Civil Re-establishment, may I call his attention to two telegrams which I have received. The first is dated April 2 and states:

North Toronto branch Legion urgently requests that effort be made to get through returned soldier legislation this session.

HAROLD BREULS.

The second telegram is dated April 3, and is as follows:

We note with considerable alarm that the government has stated that no pensions or other soldier legislation will be considered before parliament prorogues. Are those responsible for this action prepared to accept the blame for the unnecessary hardship and suffering now borne by those in dire need of remedial legislation. We ask, Sir, your prompt action and support in bringing the recommendations of the Canadian Legion before the present session. Thanking you for your past activities in the interests of justice and fair play,

Respectfully yours,

T. HOLLOWAY, president Western Branch Post 49, tuberculosis section Canadian Legion British Empire Service League.

In the course of his statement the minister called attention to the lengthy memorandum he had received from the representatives of the returned men. This memorandum has been in the minister's hands for a considerable time, and I think some legislation should be brought down this session to give effect to the proposals therein put forward when Bill 234 is again before the House. I draw these telegrams to the attention of the minister in the hope that he may reconsider his decision at the earnest request of these returned men.

Mr. G. H. PETTIT (Welland): Mr. Speaker, I wish to inform the government that I also have received telegrams from all the posts of the legion in my constituency complaining of the delay on the part of the government in connection with bringing down the legislation just referred to, and respectfully urging the government, if possible, to do what they can to take action during this session.

Mr. JAMES ARTHURS (Parry Sound): The minister a few days ago stated that a number of these complaints regarding pensioners could be taken care of by the meritorious clause. Has he given any special attention to that clause, or has any particular effort been made to meet any of the cases under that regulation?

Mr. KING (Kootenay): A number of cases have been settled under that regulation.

Mr. ARTHURS: How many?

Mr. KING (Kootenay): I do not know, but a number have been disposed of.

Mr. ARTHURS: A considerable number of these cases might come under that regulation.

PRIVILEGE—MR. CAHAN

On the Orders of the Day:

Mr. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, as a matter of privilege, although not very important, I wish to refer to the remark of the Prime Minister on Thursday last that he had grave doubts as to the accuracy of the statement which I then made with regard to dissolution being refused to Mr. Asquith and subsequently

granted to him. I have not had an opportunity of visiting my own library, but I have communicated with one of my household, and I find that the source of my information was the memoirs of Sir Almeric Fitzroy, then Clerk of the Privy Council. In the second volume at pages 422 and 423 he refers to the incident of His Majesty the King at first refusing Mr. Asquith's demand for dissolution and subsequently granting it. Also among my private papers there is a note as to Mr. Asquith's speeches of December 18, 1923, and May 24, 1924, which were published in the English papers at the time. As to the reference I made to a dissolution having been granted to Mr. Ramsay MacDonald at the close of nine months of his regime, after he had been defeated some ten or a dozen times in the House, I find the source of my information is an attorney of very considerable eminence who was writing in a friendly discussion as between two who were interested in the same constitutional question. But as the correspondence is marked "personal" I shall have, at a later date if possible, to give with more precision the source of my authority for the statement. With regard to it there may be some doubt in view of the contention of the Prime Minister. As to the other statement, it seems to me that the memoirs of the Clerk of the Privy Council at the time of Mr. Asquith's premiership places it beyond doubt.

Mr. POULIOT: It is a very interesting speech, but it is too short.

Some hon. MEMBERS: Order.

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend will see on referring to Hansard that my interruption related to his reference to the dissolution granted to Mr. Ramsay MacDonald, not to his remarks with respect to Mr. Asquith. My hon. friend has been kind enough to show me the memoirs to which he referred, and I told him that I thought they were somewhat inconclusive. However, I do not wish to question his statement on that point; but as to his remarks on the dissolution granted to Mr. MacDonald, I have no hesitation in saying that I believe he has not been correctly informed.

Mr. CAHAN: Possibly.

NORTH HURON VACANCY

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): Mr. Speaker, I will not ask the government why the writ has not been issued for an election in North Huron, but will confine myself to the question: When may we expect the writ to be issued?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, this parliament passed a law some time ago requiring writs to be issued within six months of the time a constituency had been declared vacant. I am pleased to inform my hon. friend that the writ will be issued within that time.

Mr. GARLAND (Bow River): I hope they will keep within the law at least.

CIVIL SERVICE SALARIES—REVISION

On the Orders of the Day:

Mr. JOHN EVANS (Rosetown): Mr. Speaker, I should like to bring to the attention of the government that I have received a number of protests from Amalgamated Civil Servants protesting that a number of those in the lower classes will not get the benefit of the $120 increase resulting from the recent salary revision. The salaries of these lower grades, it is said, are already below the cost of living line. I would therefore ask the government to reconsider the revision so that these grades will get consideration.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I will have to direct the attention of the hon. Secretary of State (Mr. Rinfret) to my hon. friend's question, and ask him to reply to it when he is next in his seat.

NOVA SCOTIA REPRESENTATION—EXTRA MEMBER

On the Orders of the Day:

Hon. W. A. BLACK (Halifax): Mr. Speaker, I should like to ask the Secretary of State—I see he is not in his seat, but my question can be transmitted to him and perhaps he will answer it to-morrow—as to whether or not he has received any communications from Halifax with regard to an extra member for the province of Nova Scotia; and if so, what action the government proposes taking in the matter.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I might answer my hon. friend's question. I believe a communication of the purport to which he refers has been received and is now under consideration; as to the action to be taken in regard to it, I am afraid it will not be possible to give a definite reply this session.

INQUIRY FOR RETURNS

On the Orders of the Day:

Mr. GEORGE BLACK (Yukon): I repeat my request, made over a week ago to the Postmaster General (Mr. Veniot), to expedite a return ordered by the House on February 28 last in relation to the post office at Pelly, in Yukon territory.

Hon. P. J. VENIOT (Postmaster General): I will have the return tabled to-morrow.

Mr. BLACK (Yukon): I also request the Minister of the Interior (Mr. Stewart, Edmonton) to be good enough to expedite the return to an order made on March 9 last in connection with the appointment of a person to fill temporarily the position of mining recorder at Mayo, Yukon. The return could be prepared in a few minutes.

Hon. CHARLES STEWART (Edmonton, Minister of the Interior): I will see that it comes down.

CANADIAN NATIONAL RAILWAYS

FREIGHT RATES TO BE CHARGED ON EASTERN LINES

Hon. CHARLES A. DUNNING (Minister of Railways and Canals) moved the second reading of Bill No. 224, respecting the Canadian National Railways and the tariffs of tolls to be charged on certain eastern lines.

Mr. GARDINER: Explain.

Mr. DUNNING: I am quite willing to make a brief statement now regarding the bill, but I presume that hon. members would much appreciate the opportunity of cross-examining me in committee. I suggest therefore that we allow the bill to get into the committee stage, when I shall be able to deal with it in detail. That would be the better course unless there is a desire that I should make a speech, which I feel sure is not wanted.

Mr. MANION: How does my hon. friend feel about it himself?

Mr. DUNNING: I am not particular.

Mr. GARDINER: I am rather surprised that the Minister of Railways has not given some explanation of this proposed legislation.

Mr. DUNNING: I am ready to give it right now if my hon. friend will sit down. I would rather make a speech than take criticism for not making it. I thought that every member of the House was sufficiently familiar with the subject of the much discussed Duncan report to have studied the relationship of this particular bill to the recommendations of that report with respect to freight rates, and to be prepared therefore to discuss the details of the bill as they arose in committee. However, I am very glad to make a general statement with regard to the matter.

As hon. members know, the royal commission appointed by the government with respect to maritime claims, comprising Sir Andrew Rae Duncan, the Hon. W. B. Wallace and Professor Cyrus MacMillan, reported upon those claims, among the most important of which is the matter of freight rates. The commission found, as set out in the preamble to the bill we are now discussing, that certain national, imperial and strategic considerations prevailed with respect to freight rates in the maritime provinces which were not present in relation to freight rates in the rest of Canada. They also found—here I am paraphrasing the report— that these considerations had been adequately met up to 1912, when increases in the freight rate structure in the maritime provinces came into effect, and that since that time these rates have been continued up to the present moment. As a matter of fact, from time to time they have been increased along with the changes made in the freight rate structure of the rest of Canada. The Duncan commission report that the recommendation which they make, to be found at page 22, is in their estimation as fair a measure of these national, imperial and strategic conditions as can be suggested and that it will have the effect particularly of restoring in the maritime provinces the parity of rates which the people there enjoyed prior to 1912. That is to say by the action proposed by the commission the relationship of freight rates in the maritime provinces to freight rates in the rest of the Dominion would be made approximately the same as it was prior to 1912.

Let me read exactly what the commission propose:

> We recommend, therefore, that an immediate reduction of 20 per cent (so that 192 will become approximately 155) be made on all rates charged on traffic which both originates and terminates at stations in the Atlantic division of the Canadian National Railways (including export and import traffic, by sea, from and to that division), and that the same reduction be also applied to the Atlantic division proportion of the through rates on all traffic which originates at stations in the Atlantic division (excluding import traffic by sea), and is destined to points outside the Atlantic division.
>
> For this purpose, we cannot regard the Atlantic division as ending at Riviere du Loup and Monk, which are its present western limits. The divisional points should, in our view, be

Diamond Junction and Levis, Diamond Junction being the point at which the Transcontinental railway meets the old Intercolonial railway and Levis the point to which, in 1879, the Intercolonial railway was extended.

The bill now before the House meets that recommendation except in two particulars to which I shall now refer. The recommendation of the Duncan commission might be taken to imply that the reduction of 20 per cent might apply upon through rates from the maritime provinces to the United States. The legislation before the House does not provide for the reduction to apply upon the Atlantic division proportion of international rates. I shall be pleased when the bill comes before the committee to go into the reasons in detail as to why we could not include that in the bill. I may however state now, on the second reading that in our opinion the people of the maritime provinces would not receive any benefit from such provision had it been incorporated in the bill. I shall be glad to go into the matter more fully and give the details at greater length on the particular section of the bill when in committee.

The other omission, if omission it can be called, is that the 20 per cent reduction will not apply upon goods coming from overseas through maritime ports for distribution within the maritime provinces. That matter raised grave discriminatory questions affecting traffic coming through our ports destined to further western provinces, and the government could not see its way clear to give a 20 per cent reduction on import rates to that part of Canada which is already closest to the port through which the goods are imported. It would create a discrimination against the rest of the country, and in committee I will give the figures to indicate to our maritime friends on both sides of the House that the amount involved in the import rates is, from their point of view, very small indeed, while to make this concession would be establishing a principle which I doubt very much could be defended in this House.

The Duncan report then goes on to recommend the manner in which the relief extended should be borne. At page 22 of the report will be found the following:

> The cost of this relief should be definitely borne by the Dominion government, who will make the necessary reimbursement to the Canadian National Railways through the medium of the Canadian National Railways budget, without impairing the financial results of the operation of the system.

To carry that out provision is made in the bill that the deficit on the Atlantic region which by the terms of the bill is extended to Diamond Junction and Levis, as recommended,

shall be kept separately and a separate item introduced in the railway budget each year to cover that deficit. Then the Duncan report goes on to say:

> We are not overlooking that the other great railway system operating in the area would be entitled to equitable consideration if they find themselves prejudiced as a result of the reduction proposed.

That is a very easy way for a royal commission to escape the solution of a very difficult problem; it is very simple phraseology, but the solution is not so simple. In the first place there is not only the other great railway system to consider but in addition there are at least half a dozen other railway corporations within the area dealt with by the royal commission with respect to freight rates. I do not know that I can remember off hand their different names, but there are at least six other railway corporations which would undoubtedly be prejudiced or affected in their operations by this legislation if some machinery were not set up to take care of them.

This matter is covered in section 9, which relates not only to the other great railway corporation mentioned in the report of the commission but also to all the other railway companies operating within the area which is described as select territory for the purpose of legislation. I should say in this regard that I believe that as a result of this legislation it may be necessary for us to give consideration to the acquisition of some of these lines now being separately operated in the area from Levis and Diamond Junction to the Atlantic ocean as a part of the National system. That is a matter on which we cannot see clearly at present; it will of course require experience for us to determine the effect this legislation will have upon these various enterprises and upon the service which the people in the various districts served by these lines are receiving. That, however, is a matter not dealt with in this bill, but which I know will be raised by some of the members from the various districts concerned.

I do not know that there is anything else I need say on the second reading of the bill except to commend it to the tender mercies of the House as the first instalment—and a very large instalment—of the government's policy in implementing the recommendations of the Duncan commission.

Mr. R. B. HANSON (York-Sunbury): Mr. Speaker, I desire to make a few brief observations on the second reading of this bill, and in so doing I wish to approach consideration of the problems involved in a very sympathetic manner. In the first place I should like

to observe that this is the first legislative fruit of an agitation which has been going on in the maritime provinces for a considerable period of time, and which resulted from the great economic depression which made itself felt there immediately after the end of the war. I believe that depression was greater in extent in the maritime provinces than in any other portion of Canada, although the rest of the Dominion suffered in common from the economic developments following the cessation of hostilities.

The first manifestation of this economic development was in the federal election of 1921, when a solid Liberal delegation was returned from Nova Scotia. I may say in passing that I do not propose to treat this matter from the standpoint of party politics, although from statements made by the Prime Minister announcing this legislation and from the action of a small body of Liberal politicians in New Brunswick it may be necessary to revert briefly to the political aspect. As I say, the economic depression in the maritime provinces made itself manifest in the result of the general election in 1921, when the province of Nova Scotia sent a solid delegation of sixteen members to support the present Prime Minister; when the province of Prince Edward Island sent a solid delegation of four members to sit behind the Prime Minister and when the province of New Brunswick practically divided. It is my considered judgment that had that large delegation, knowing the economic conditions which obtained in the maritime provinces at that time, pressed upon the government of the day those considerations which were subsequently brought to their attention by gentlemen representing the maritime provinces from this side of the House, it would not have been necessary to wait five years for the legislation brought down to-day, and we could have avoided five years of depression with the consequent loss of earning power, prosperity and economic manhood and womanhood. Because of the failure of those gentlemen representing the maritime provinces in the fourteenth parliament of this country, grave dissatisfaction arose in that part of Canada. The first result of that dissatisfaction was shown in the Halifax by-election, after which came the Kent by-election and finally the general elections of 1925. I claim, Sir, that this legislation brought down to-day is the direct result of the action of the people of those provinces in the year 1925. Be that as it may, I think history will accord to those gentlemen who took up the flaming torch of maritime rights during those years the credit which is their due, notwithstanding what may have been said here, there, or elsewhere.

The greatest need of the maritime provinces undoubtedly is in connection with this very question of transportation; on that I think we all agree. I think I can safely say that there is a certain degree of satisfaction felt by all parties representing those provinces in the bill immediately under discussion, and I say that as fairly as I possibly can. I must also say, however, that the people down there will find themselves very much disillusioned when they learn what has been authoritatively stated by the Minister of Railways (Mr. Dunning) to-day, that these rates do not apply to international shipments. Speaking for the producers of New Brunswick, I can say that by far the greater volume of the tonnage shipped over our railways is international tonnage, consisting of pulp, pulpwood, lumber and the products of our fields, particularly potatoes. I do not refer especially to fish because we do not export so much of that commodity from the province of New Brunswick; that is a matter more particularly affecting Nova Scotia. I do know of one company in the province of New Brunswick which makes a daily shipment of at least two train loads of forest product, and that industry will not be benefited to the extent of one dollar by this legislation. For that reason I am sure there will be great disappointment in the maritime provinces when the people there come to realize that this legislation does not go as far as the Duncan report recommended, because if I recollect aright—and I have read the report on many occasions—there is absolutely no reservation on the part of the commissioners with respect to international freight rates. I know the reservation was made by the Prime Minister in his announcement. I think I know, at least I have heard, of some of the difficulties that the administration has encountered. It may be the case—and if so I do not wish to lay any blame on the administration—that those conditions have been insurmountable. But if that be the case, then it only adds to the disappointment of the maritime provinces in that particular respect. Speaking with perhaps an all too limited knowledge of the subject, I venture to say that, because of the omission of the reservation in the plan proposed by the Duncan commission, the maritime provinces will be robbed of at least one-half of the fruits under this particular head. I understand that there is no control by any judicial body—

Mr. DUNNING: I missed what my hon. friend said just now. Did my hon. friend say that by not getting the international freight rates, the maritimes would be robbed of one-half of the fruits?

Mr. HANSON: That is my judgment. It may be erroneous.

Mr. DUNNING: It is quite erroneous.

Mr. HANSON: Weeks ago I asked the Minister of Railways if he would give me a statement of the probable cost to the treasury of Canada of the readjustment of rates proposed by the Duncan commission. Unfortunately, whether he could or could not do so, he did not give me the information which I sought. I concluded that for reasons connected with the administration or for some other good and sufficient reasons the hon. gentleman did not want to give that information.

Mr. DUNNING: If the hon. gentleman will permit me, I stated in the House only the other day, in response to a question asked, I think, by the hon. member for Bow River (Mr. Garland), that I had only just then received any reasonably accurate estimate and I gave it to the House.

Mr. HANSON: I am glad to hear that. It escaped my attention. I am not making any criticism of or charge against the minister in that connection. But with respect to this particular matter I am satisfied, from the reports which I have received from those who are supposed to be in a position to know, that the large industries in New Brunswick will receive little or no benefit from this particular part of the legislation in question.

As regards the Duncan report in connection with the matter of transportation, there is another disappointment in regard to the new location of the Atlantic region, or shall I say the new geographical limitation imposed by the Duncan report and adopted by the government? There is very little tonnage originating in the maritime provinces destined for points north and northwest and within the new limitation of Diamond Junction and Levis. Practically all the goods that we ship west over the National railways are destined for points beyond Diamond Junction or beyond Levis as the case may be. As I understand the matter, the commission were not asked to fix Levis and Diamond Junction as the new delimiting points, although all agreed that Monk and Riviere du Loup were useless in that regard. But the new geographical limitation that was asked for repeatedly by the maritime provinces was the city of Montreal which was the western terminus of the Intercolonial railway in the year 1912. I have not yet heard from any authoritative source any good reason why the region was not extended. In the original inception of the regional idea there was never any good reason advanced why the western terminus of the Atlantic region was fixed at Riviere du Loup rather than Montreal. I want to tell the administration, as respectfully but as firmly as I have language to command in which to tell it, that the maritime provinces will not be satisfied until the Atlantic region for freight rate and administrative purposes is extended to Montreal, and that if we do not get that now—and I understand we are not going to get it now—we intend to keep up the agitation in the provinces in season and out of season for the extension of that region to Montreal. That was the terminus of the Intercolonial railway in 1912 and down to the time when subsequently to the act of 1919 it was merged with the National railways. I know I voice the sentiments of the people of the maritime provinces in that respect.

In connection with this freight rate matter as outlined in the bill another feature, which may be perfectly clear but which is not clear at all events to me, is in regard to certain railways to which the minister has alluded, which may or may not be affected by this legislation. I am referring now to the case for example of the Dominion Atlantic railway which begins and ends in Nova Scotia which, so far as I understand the situation, is not in competition with the Canadian National Railways, and which may not be affected by the terms of this bill. I propose however to leave whatever remarks I have to make and to reserve judgment on that point until we get the bill into committee.

In conclusion I say that in so far as this is a measure of justice to the maritime provinces, it is welcomed by the people there and when the balance is struck the government will receive from the people of the maritime provinces whatever meed of credit is their due. At the moment I do not desire to say anything further. We welcome the legislation as a halfway measure for what we are to get, and I warn the government that this is only the first instalment of what the people of the maritime provinces want in matters of transportation and transportation rates.

Mr. ROBERT GARDINER (Acadia): I appreciate very much the short statement which the Minister of Railways has made in regard to this particular piece of legislation. I had hoped that on the second reading of the bill, before the principle of the legislation was accepted by the House, the minister would have given a little further explanation than

he did. But we appreciate the explanation which he has made because it gives us some intimation of what is intended. I do not want to criticize to any extent the remarks of the hon. member for York-Sunbury (Mr. Hanson). He has made the statement that this is only a part or portion of what the maritime provinces expect by way of legislation in order to assist them in their economic struggle.

Mr. DUNNING: I understood the hon. member for York-Sunbury to say that with respect to transportation rates this was only a halfway measure.

Mr. GARDINER: That makes the statement all the more ridiculous. I have a great deal of sympathy for the maritime provinces. Some two or three years ago I had the privilege of going through a part of the maritime provinces and, getting into close touch with the people there, we were able to gather at first hand some information as to the disabilities under which they were labouring at that particular time. Since that occasion I have not had the privilege of being down in the maritime provinces, consequently I cannot say whether they have improved their economic condition since then. No doubt it probably has improved to some small extent, if not to the extent that they would like.

This proposed legislation arises out of the report of the royal commission that was appointed last year to inquire into the question of the alleged maritime claims. The representatives of the maritimes who have presented their claims have stated on many occasions that the people of the maritimes were under a handicap or disability because of the fact that they had entered into confederation. As far as the report of the commission is concerned, it rejects that contention altogether. The commissioners state emphatically in their report that in their viewpoint that claim cannot be substantiated. Let me quote from the introduction to the report:

> The outstanding fact, it seems to us, is that the maritime provinces have not prospered and developed, either in population, or in commercial, industrial and rural enterprise, as fully as other portions of Canada. We are unable to take the view that confederation, is, of itself, responsible for this fact. The trend and nature of economic development generally throughout the last sixty years has made within the maritimes changes in the structure of business and employment which are unrelated to confederation, and which would have taken place whether or not the maritime provinces had been independent units outside of Confederation. Even within confederation there has been such a measure of responsibility resting on each province for its own development that much at least of what has happened within the Maritime provinces must be related to their responsibility and not to the responsibility of the Dominion.

That is a very emphatic statement, Mr. Speaker, and it comes from the commission itself. They state that much responsibility lies within the maritime provinces themselves, that they themselves are largely responsible for the condition they are in to-day, and not the Dominion as a whole.

There is another quotation I wish to make from the report, and this is my last, dealing with the question of a general stocktaking in Canada, a review of the situation throughout the length and breadth of the country in order to see how the component parts of the confederation are progressing and ascertain their needs, if needs they have. On page 1 of the introduction to the report the commissioners state:

> But reasonable balance is within accomplishment if there be periodic stocktaking. We venture to regard the present occasion as such a period of stocktaking, so that in the future progress of the common great enterprise the prospects of the maritime provinces may be brought into line with the prospects of other parts of Canada and the prospects of the Dominion as a whole.

I think every hon. member of this House will accord support to that statement. Realizing as we do how far-flung this country is, and its great diversity of interests, it is only reasonable to expect that once in a while a general stocktaking of the situation within Canada should be had in order to see how the component parts are progressing.

Coming to the proposed legislation, we find set out in the preamble, as the minister has already stated, certain claims. In the first place, the Intercolonial railway was built as part of the confederation pact. There is no question about that; no one denies it. The next claim is that this railway was built primarily for national and imperial reasons, together with the object of giving the manufacturers and traders of the maritime provinces a larger market in the central and western provinces of Canada. It is quite true that this railway was built primarily because of confederation. It is true also that the route it follows is a much longer route than probably would have been chosen if it had not been that the builders had to take into consideration national and imperial needs and the necessity for an outlet and inlet on the Atlantic seaboard.

But there is another question that is also important in connection with this railway. It is claimed that because of the course followed, the curvatures and the grades are not such

as will allow the railway to be operated with efficiency. That is a very important consideration which the proposed legislation does not take into account. This legislation does not make any provision for the elimination of these sharp curvatures and heavy grades, and consequently we are not going to have a railway which can be operated efficiently. This point should not be lost sight of in dealing with this important matter. But I will come back to that a little later.

It is claimed that the rates in the maritime provinces have increased to a greater extent than they have in other parts of Canada. That in a measure is true. We must remember that while there was an increase in certain classes of rates in 1912, there was also an increase in local rates in 1916, I believe, and I wish to deal with that a little more fully so that we may have these rates properly before us. I am going to take the time of the House for a few minutes to follow the rate structure from the earliest time of which we have any records down to the present, so that the House may understand the situation.

Following the opening of the all-rail route between Montreal and St. John, New Brunswick, the through rates from the maritimes to points west were made up of arbitraries over the Montreal rate. The earliest record is the tariff of 1891-1894, showing an arbitrary of 30 cents added to the Montreal rate to make the through rate to and from St. John. The record is not clear between 1894 and 1900, but during this period the arbitrary was reduced from 30 to 20 cents, and the 20 cent rate was continued until 1916, when in the eastern rate case it was raised to 24 cents.

Mr. DUNNING: What record is my hon. friend quoting from as to rates? The railway during the period he speaks of was being administered by the then Minister of Railways, and there should be accurate information as to rates.

Mr. GARDINER: So far as these reductions in 1916 are concerned, I am quoting from the eastern rates case. Probably the minister will have the record.

Mr. DUNNING: Is my hon. friend referring to grain rates?

Mr. GARDINER: No, general rates.

Mr. DUNNING: On what commodities, for what classes of goods?

Mr. GARDINER: On all commodities. Following the percentage increases and decreases from 1918 to 1921, the rate became as high as 47½ cents on September 13, 1920, and it was reduced to 42½ cents on December 1, 1921.

The 1922 judgment of the Board of Railway Commissioners reduced this arbitrary applicable on traffic to western Canada to the old rate of 24 cents, but it did not change it on traffic in eastern Canada west of Montreal. However, in 1924 the Canadian National Railway, in conference with eastern interests, reduced the arbitrary to 32 cents, so that to-day we have the following arbitraries in effect: St. John to eastern Canadian points, add 32 cents to the Montreal rate to points west; St. John to western Canadian points, add 24 cents to the Montreal western Canada rate. These amounts advance from the farther points and vary to the extent that the Yarmouth rate is 56 cents over the Montreal rate to western Canada and 64 cents over the Montreal rate to eastern Canada points, or 32 cents more than the St. John-Montreal arbitrary in each case. My understanding of the legislation is that these arbitraries are to be reduced by 20 per cent on all traffic to and from the Atlantic division.

Mr. DUNNING: My hon. friend is quite wrong there.

Mr. GARDINER: Traffic originating in the province.

Mr. DUNNING: My hon. friend said "to and from".

Mr. GARDINER: I mean from. As regards the class rate scale in the maritimes, this was on a lower basis than the rest of eastern Canada up until 1912. At that time it was put on an equality. As there was no general increase in Canada between 1912 and 1918 this accounts for the maritime claim of the rates being 92 per cent higher than they were in 1912 as compared with 55 per cent in the rest of Canada.

Mr. DUNNING: My hon. friend's figures are wrong. The figures are 155 as against, 192.

Mr. GARDINER: It is 92 per cent increase, or 192. As a matter of fact the correct comparison is maritimes 92 per cent; rest of eastern Canada 80 per cent, the difference of 12 per cent being the advantage the former enjoyed previous to 1912. Notwithstanding the fact that western Canada class rates are only 50 per cent above pre-war rates as against 80 per cent in eastern Canada, the actual class rates in western Canada are as much as 20 per cent higher than eastern Canada, varying in different mileage down to 3 per cent higher.

Mr. DUNNING: Again my hon. friend is wrong.

Mr. GARDINER: No. In addition eastern Canada has what is called schedule "A" class rates—and these rates are the class rates on which the traffic moves—which are again much lower than the rates above, than which western Canada rates are from 3 to 20 per cent higher.

An examination of the tariffs in effect to-day from the maritimes to Montreal, Toronto and other large markets in the central provinces shows that the general level is lower than the lowest general class scale basis in effect in Canada to-day, namely schedule "A".

For example: St. John to Montreal, distance 488 miles; schedule "A" would be $1.04, actual rate is $1.00½ and note that this short Canadian Pacific Railway mileage is the rate over the longer Canadian National Railway mileage. St. John to Toronto, 822 miles; schedule "A" rate would be $1.33 per 100 lbs., while the rate in effect is $1.15, so that one can see the advantages the maritimes have which the west certainly have not.

The other two proposals are 20 per cent reduction on all local rates on traffic originating and terminating in the Atlantic division. The 20 per cent reduction in local rates is in my judgment a vicious proposal in this piece of legislation. It is to all intents and purposes a subsidy to the consumers and shippers and can have no effect in the expansion of trade. The legislation itself in my judgment cannot be supported as being fair and equitable to all concerned. It would seem to me that legislation of this character should be national in its scope, and if it cannot be national in its scope, then we should try to find out some other method of dealing with this matter.

I am going to read a statement made by F. J. Watson, the Canadian National Railways expert who appeared before the Board of Railway Commissioners. This statement is taken from volume 2 of the railway commission report, pages 4620, 4621 and 4623. He says:

In the framing of freight tariffs generally between the maritime provinces and the territory Montreal and west irrespective of the reason therefor, a greater reduction than 200 miles has been made in practically every instance, as the following examples, both of class and commodity rates will illustrate:

From Saint John to Montreal the distance via Canadian National Railway Company is 729 miles and the first class rate $1.00½. Schedule "A", which is the lowest basis of class rates in Canada to-day, provides a rate of $1.00½ per 100 pounds for a distance of 480 miles, so that the difference between 729 miles and 480 miles, namely 249 miles, has been eliminated.

Of course the shorter mileage from Saint John to Montreal via the Canadian Pacific railway fixes the class scale referred to, but this does not alter the fact that 249 miles have been absorbed, and while Saint John itself is competitive there is a considerable local territory east and north of Saint John through Moncton where competition does not exist, and whereby under the application of recognized rate-making principles the full distance would be taken into consideration. For example take Moncton; the distance from Moncton to Montreal is 649 miles and the first class rate $1.00½ per 100 pounds, which, as already stated, is schedule "A" basis for 480 miles, so that in the case of Moncton 169 miles have been eliminated.

When we come to Halifax we find the first class rate to Montreal is $1.04 for a distance of 838 miles, while this rate of $1.04 would apply, under schedule "A", for only 520 miles, so that 318 miles have actually been taken out of the Intercolonial railway in constructing class rates from Halifax to Montreal.

In the same manner 328 miles have been cut out of the distance from Mulgrave to Montreal, and 391 miles from Sydney to Montreal.

To Toronto, which may be taken as typical of western Ontario, we find the distance from Saint John via Canadian National railways to be 1,060 miles with a first class rate of $1.15 per 100 pounds, which is the rate under schedule "A" for 640 miles, so that 420 miles have been disregarded and the same principle observed from Halifax to the extent of 489 miles, from Mulgrave 499 miles, and from Sydney 562 miles.

Mr. RALSTON: Is that first class?

Mr. GARDINER: Yes, first class. The statement continues:

The same policy or principle has been carried out in connection with commodity rates, and taking potatoes as an example, upon which there is a general mileage scale lower than the class rate applicable in all Canadian territory east of Port Arthur and Armstrong, we find the distance say from Charlo, N.B., to Montreal is 461 miles and the commodity rate 32½ cents per 100 pounds. The mileage scale referred to applicable throughout eastern Canada gives a rate of 32½ cents for 325 miles or a shrinkage of 136 miles. From Shediac, N.B. to Montreal, a distance of 666 miles, the present rate on potatoes is 34 cents per 100 pounds, which under the special mileage scale mentioned would only apply for 350 miles, indicating a shrinkage of 316 miles.

From Charlo, N.B. to Toronto, 812 miles, the rate is 43 cents per 100 pounds, which rate applies under the mileage scale for 525 miles, representing the elimination of 287 miles; and from Shediac, N.B. to Toronto, 997 miles, the rate is 43 cents per 100 pounds, which would apply for only 325 miles under the mileage tariff referred to, showing a shrinkage of 472 miles.

Sir EUGENE FISET: What is the date of those figures?

Mr. GARDINER: They will be found in volume 502 of the railway commission reports. I merely read that statement to show that the claim of the maritime provinces, that they

are paying on the full mileage of the old Intercolonial railway, is not correct, and that a large portion of the mileage has been elminated by virtue of their paying rates on the shorter mileage instead of on the actual mileage.

If this statement of Mr. Watson's is correct, it certainly destroys the argument of the maritime provinces that they are working under a disability because of the fact that the Intercolonial railway was built for strategic purposes and not solely as a business proposition. I presume that Mr. Watson, being connected with the Canadian National Railways, presented that statement before the Board of Railway Commissioners as a traffic expert knowing just exactly what he was talking about, so we can disregard once for all the claim of the maritime provinces that they are paying higher rates because of the extraordinary length of the old Intercolonial railway, which was laid out for strategic reasons.

Mr. SINCLAIR (Queens): Where does my hon. friend find the claim made that we are paying higher rates on account of distance?

Mr. GARDINER: That claim has been made by the maritime provinces ever since I have heard anything about maritime claims.

Mr. SINCLAIR (Queens): I should like my hon. friend to quote one instance so we will have it concretely before the House.

Mr. GARDINER: I will quote one later when I have had an opportunity to refer to papers which are in my office. There is one other point I should like to bring to the attention of the House, and it is very important. The Intercolonial railway, I understand, was always operated by the Department of Railways and Canals. I have read several reports of the railway, and I have never yet found that it ever paid operating expenses.

Mr. HANSON: You have not read very much.

Mr. VENIOT: The hon. gentleman had better read that over again.

Mr. GARDINER: Very well, I will do so. I am going to take an example from the 1905 statement. In that year the total revenue for the railway was $6,783,522, while the operating expenses were $8,508,826, showing a deficit on operation of $1,725,303. Nothing is allowed for interest on the investment. I have not been able to find where any interest has ever been paid from the revenue of that railway. The capital in 1905 is presumed to be about $77,000,000. The rate of interest at five per cent on that capitalization represents $3,850,000.

Mr. HANSON: Can the hon. gentleman show that the canals of this country, which were built solely or at least very largely for the benefit of the west, ever paid any interest on capital account?

Mr. GARDINER: The canals were not built wholly for the benefit of the west. It is true the west has benefited from the building of some of these canals. But as to freight rates, we have to pay them, and naturally we expect that in those rates provision is made for the interest charges and also for dividends in the case of a privately operated railway. Now, the interest charges at five per cent added to the deficit give a total of approximately $5,570,000. This does not take into account the Prince Edward Island railway at all, the operating deficit on which in 1905 was $151,375. So in that particular year hon. members can very well see what it cost the Dominion to run those railways. At the present time it is hard to say what the deficits are on the eastern section of the Canadian National.

An hon. MEMBER: Not at all.

Mr. GARDINER: Probably when we get into committee the minister will be able to tell us what the present-day deficit is. I rather fancy it is very substantial, but I have not the figures, so I refrain from making any specific statement as to the amount. The minister has not given us any information as to what will be the probable cost of this proposal. I think the other day he estimated that it would probably cost the country $2,000,000.

Mr. DUNNING: Perhaps my hon. friend will permit me. I should not like a wrong statement to get into the record. I stated that so far as we could now forecast it would cost $2,000,000 for the Canadian National. In addition, provision must be made for the other lines. A correct estimate is not possible in the absence of knowledge of what the future traffic will be.

Mr. GARDINER: I was going to qualify my statement by saying that the minister added that there were several other railways in the maritime provinces for which no doubt money would have to be voted, but he did not have at the time information as to the probable cost.

Now, the other day I noticed in the Citizen a statement by a Mr. Cornell who, I understand, appeared before the Duncan commission on behalf of the maritime provinces in regard to freight rates. No doubt he is familiar with his subject, because he must have given it a good deal of study in order to represent the provinces in this matter. I cannot say whether or not his statement is correct, for here again we are lacking in some information, and I am merely going to read it as an indication of what he thinks is going to be the cost to the country by virtue of this legislation. In the Ottawa Citizen of March 24, 1927, appeared the following:

Ottawa, March 23.—"The implementing of the Duncan report with regard to transportation costs and facilities will undoubtedly be a long step toward reinstating a proper basis of transportation costs and services in the Maritimes," says a statement issued here to-day by F. C. Cornell, K.C., who presented the case for the maritime governments with regard to freight rates before the Duncan commission.

Mr. Cornell estimated that $5,000,000 would be a conservative estimate of the amount involved in the rate reductions.

It is quite true, probably, that Mr. Cornell thought the Duncan report would be implemented in full, which would naturally take into consideration the traffic that my hon. friend who preceded me dealt with. However, it will be interesting to listen to the Minister of Railways in committee and discover what his estimate is of the cost to the taxpayers of Canada. It is presumed that this bonusing of rates to the extent of 20 per cent is going to make a good deal of difference to the people of the maritime provinces. In some particulars it may assist them somewhat, but I am very doubtful whether on the whole it will create the measure of prosperity which we should all like to see in the maritime provinces in the near future.

Last year, representing the constituency of Shelburne-Yarmouth in this House, was a gentleman who, fortunately or unfortunately for himself, is now in another chamber. I wish to quote a brief paragraph from a speech he made last session on this maritime question. The remarks I am about to read, from revised Hansard of 1926, page 3436, refer to the freight rate on fish, and I hope hon. members will follow me in this quotation, which has an important bearing if the contentions therein set out are correct. The member in question had this to say:

Now as to fish. Can we, through the process of cheapening the freight rates, ever find a sufficiently large market in central Canada for our fish so as to enable us to build up a great fish industry in the province of Nova Scotia? Hon. gentlemen must take this fact into account: the man who catches the fish gets from one to two cents a pound for it. Afterwards there is a shrinkage in the fish to the extent, perhaps, of forty or fifty per cent. Finally it is sold up here for twenty-five cents a pound, and the freight amounts to $1.80 per hundred pounds. You can see from these figures where you are going to get in, undertaking to create a big demand for fish in the central provinces through the process of cheapening the freight rates. If we are ever to have a market established here for our fish there must be a lessening of the spread between the price as paid to the producer and what the consumer has to pay for his fish.

I do not know whether the gentleman just quoted was correct in his statement that the fishermen receive from one to two cents per pound for their fish. Probably the figures he gives in regard to freight rates are absolutely correct. Nor am I sure whether that same fish is sold at twenty-five cents per pound in this part of the country. But when you take into consideration the fact that, according to this gentleman's statement, it costs only $1.80 per 100 pounds to transport fish from the maritime provinces into central Canada, it will be realized that a 20 per reduction in freight rates will not amount to very much so far as the fishermen are concerned. I do not think they will benefit to any great extent. Furthermore, I doubt whether the consumer, so far as any of these rates go, will receive any great benefit from the present proposal. It is quite probable that before this bill passes the House we shall hear members referring to special legislation that has been adopted in the matter of freight rates in regard to the grain growers of western Canada. It would be only natural to expect, after the statements I have made, someone to get up and say "You in western Canada have received special legislation, and it is due to the maritime provinces that legislation of a similar character be enacted in their interests." If this proposed legislation were of the character of the Crowsnest pass agreement I do not think there could be any great objection to it. I am going to give a short history of the Crowsnest agreement so that the House may be able to draw a comparison between it and the proposed legislation now under consideration. This will help us to judge the two methods of approach to an important question. Before the railway committee last week one of the officials of the railways made the statement that the Crowsnest rates were a losing proposition for the railways in the west. The Minister of Railways (Mr. Dunning) will probably recall that statement. In order to make the matter understandable to hon. members in all

parts of the House I propose, as I say, to give first of all a short history of that western agreement, comparing it with the present proposal, and then I shall quote some evidence that has been given only recently before the Board of Railway Commissioners.

Up until the year 1896, I believe, railway companies used to come to the government of Canada and secure subsidies by way of land and money grants, but the people were getting pretty well tired of that sort of thing. Finally, when the Laurier government came into power in 1896, the Canadian Pacific Railway approached the government for assistance in the construction of what is known as the Crowsnest pass railway. True, the government felt that in view of public opinion they could not give a straight money grant or subsidy, but they found ways and means of meeting the difficulty. There were certain rates in effect at that particular time on the main line of the Canadian Pacific Railway and the government of the day gave a cash grant of so much per mile in consideration of an agreement entered into by the Canadian Pacific Railway that the rates should never be higher than they were then. It cost this country $3,400,000 to implement that agreement with the Canadian Pacific, and since that time grain rates in western Canada have been below that level for many years. Hon. members, more particularly those who were in this House some years ago, will recall the fact that the western rates were finally suspended, coming into effect again in part in 1922, and partly again at a later date.

Now, the claim has been made that these Crowsnest rates are a losing proposition for the railways, and in that regard I want to place on Hansard, for the information of hon. members, certain evidence bearing on the subject. What I am going to read is taken from the records of an investigation before the Board of Railway Commissioners under date Tuesday, March 8, 1927, a short time ago, as found at pages 4439 and 4440. Mr. Mallory, the director of the bureau of statistics of the Canadian National Railways, was the gentleman under cross-examination at the time, the examiner being Mr. Symington of Winnipeg Let me observe before I go further that I am quoting this evidence merely in order to make a comparison between the Crownsnest pass agreement and the present legislation. The examination reads:

Q. Now Mr. Mallory, I am looking at exhibit No. 126, pages 69 and 70. I see that in the first six months of the year 42 per cent of the freight revenue yielded 1.47 per cent of the net profits, that is Canadian lines.—A. Yes.

Q. That is true, is it not?—A. I assume your figures are correct.

[Mr. Gardiner.]

Q. They are your own figures. The percentages are shown at a glance. You can say it is correct.—A. I have not checked them over, but I will take your word for it.

Q. In the last six months 57.94 per cent of the traffic produced 98.53 per cent of the net profits, on Canadian lines.—A. Yes.

Q. That is, taking the two six months periods. —A. Yes.

Q. In the last six months' period the greater portion of the traffic was handled in the west, was it not?—A. The ton miles accrued in the last period, the greater portion would be in the west.

Q. Yes.—A. I would have to check that up. I would not like to say that offhand.

Q. You are saying it, and you will find it in your returns; 70 per cent of that traffic was grain traffic; 72 per cent I think you gave us for the last four months.—A. In the west 72.6 per cent of the traffic.

Q. 72.6. per cent of that traffic was grain traffic.—A. Yes.

Q. Looking now at page 70 of the same exhibit, taking it in another way, the number of tons carried one mile in thousands that is your gross ton mile, is it not?—A. No.

Q. Is that the revenue tons one mile?—A. I think it is the net ton one mile.

Q. Are these figures compiled from the Dominion Bureau of Publications? Are they in the Canadian National statement the revenue ton miles?—A. That is right.

Q. On your whole Canadian system you carried 38.72 per cent of your revenue ton miles, and you earned 1.47 per cent of your net in the first six monts; that is right, is it not?—A. Yes, that is right.

Q. And in the second half you carried 61.28 per cent of the revenue ton miles on your whole system.—A. Yes.

Q. And you earned 98.53 per cent of your net earnings?—A. That is right.

Q. And again it is during the last period the percentage of grain movement is so high. the figures you gave me a moment ago.—A. It is 72 in the last four months of the year.

Q. And 60 throughout the year.—A. Sixty throughout the year, so that the first period would be less than 70.

Q. And the Canadian system, Mr. Mallory, in the year 1924, also at page 70, entered the last six months business with a deficit of $10,000.—A. Yes.

Q. And emerged with a net profit of $11,-764,000 at the end of the year.—A. Yes.

Q. In 1925 it ended the six months period with a total net earning of $352,000 and it earned in the last six months $23,493,000 throughout the whole Canadian system.—A. Yes.

I have also a table which I ask permission to place on Hansard without reading. It will thus be available to hon. members.

Mr. RALSTON: Would the hon. member give us an outline of the contents of the table?

Mr. GARDINER: The table gives those figures which substantiate the answers to these various questions and the fact that the Crowsnest rate is a paying rate.

Mr. RALSTON: Was it filed as an exhibit?

Mr. GARDINER: This is the evidence before the railway commission.

Mr. RALSTON: Was the table filed?

Mr. GARDINER: Yes it was. The table is as follows:

GOVERNMENT OF SASKATCHEWAN

EXHIBITS IN GENERAL FREIGHT RATES ENQUIRY, 1925. FILED BY COUNSEL FOR THE GOVERNMENT OF SASKATCHEWAN. COMPILED BY ALEX. McDONALD, WINNIPEG.

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In the last four months of 1925 the Canadian Pacific Railway moved 52 per cent of the freight traffic (ton miles) and only 34 per cent of the passenger traffic (passengers carried one mile) and net earnings of $26,554,611 were produced therefrom, as against net earnings of $15,393,122 in the first eight months of 1925.

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CANADIAN NATIONAL RAILWAYS IN CANADA

OPERATING STATISTICS No. 2

—	Freight Revenue		Passenger Revenue		Total Operating Revenue	
	1925	1924	1925	1924	1925	1924
	$	$	$	$	$	$
January	10,104,184	11,210,631	2,276,152	2,492,067	14,061,522	15,506,105
February	10,243,744	11,012,056	2,003,618	2,106,739	13,879,333	14,722,775
March	11,186,668	12,901,230	2,277,939	2,584,085	15,311,036	17,200,097
April	10,364,428	11,178,722	2,397,279	2,818,587	14,623,281	16,041,974
May	10,835,685	11,733,204	2,307,528	2,515,560	15,166,296	16,510,126
June	10,326,222	11,895,014	2,756,820	2,940,337	15,166,025	17,081,936
Total	63,060,931	69,930,857	14,019,336	15,457,375	88,207,494	97,063,013
	42·06%	48·90%	42·10%	45·94%	42·36%	48·24%

—	Freight Revenue		Passenger Revenue		Total Operating Revenue	
	1925	1924	1925	1924	1925	1924
	$	$	$	$	$	$
July	11,339,756	11,464,233	3,643,960	3,528,570	17,340,084	17,418,539
August	11,009,545	9,395,293	4,106,762	3,946,674	17,539,764	15,662,837
September	13,928,371	11,248,283	3,189,814	3,116,447	19,455,257	16,388,986
October	18,802,694	15,227,071	2,745,723	2,568,602	23,761,137	19,839,351
November	16,718,708	14,013,134	2,501,573	2,350,325	21,484,346	18,411,570
December	15,037,519	11,637,091	3,096,004	2,683,721	20,430,839	16,440,196
Total	149,897,524	142,915,862	33,303,171	33,651,714	208,218,921	201,224,493
Last 6 months	86,836,593	72,985,005	19,283,835	18,194,339	120,011,427	104,161,480
	57·94%	51·10%	57·90%	54·06%	57·64%	51·76%

"D" Deficit	Net Operating Revenue		Number of tons carried one mile (in thousands)		Number of Revenue Passengers carried one mile (in M's)	
	1925	1924	1925	1924	1925	1924
	$	$				
January	126,982	16,990	1,052,376	1,159,656	83,210	86,140
February	146,380	D768,681	1,052,817	1,201,283	72,207	78,322
March	960,186	1,400,289	1,197,020	1,284,374	82,909	96,734
April	556,117	748,879	920,702	1,076,954	93,169	108,133
May	D191,732	D433,895	918,178	1,274,052	88,893	97,358
June	D991,764	D974,131	897,391	1,357,740	105,840	114,168
Total	352,205	D10,549	6,038,484	7,354,059	526,228	580,855
	1·47%	.....	38·72%	49·84%	41·36%	46·03%

"D" Deficit	Net Operating Revenue		Number of tons carried one mile (in thousands)		Number of Revenue Passengers carried one mile	
	1925	1924	1925	1924	1925	1924
	$	$				
July	1,317,363	324,318	1,007,320	1,043,822	132,246	135,253
August	1,901,816	252,882	919,657	793,500	175,109	154,357
September	3,206,368	1,515,058	1,550,905	1,057,876	117,201	106,208
October	7,305,836	4,161,149	2,138,722	1,689,571	106,813	93,010
November	5,620,743	3,367,165	1,999,611	1,620,098	99,832	91,437
December	4,141,387	2,154,065	1,938,687	1,197,714	114,614	101,116
Total	23,845,719	11,764,089	15,593,387	14,756,638	1,272,042	1,262,238
Last 6 months	23,493,514	.....	9,554,902	7,402,581	745,814	681,383
	98·53%	100%	61·28%	50·16%	58·64%	53·97%

Now, Mr. Speaker, there is quite a difference between these two classes of legislation. In the legislation now before us it is proposed to grant a subsidy to certain classes of traffic in the maritime provinces, while the Crowsnest rates on grain are a paying proposition. It is true that there is a maximum above which the railways are not supposed to charge, but notwithstanding what the railways and those who apologize for the railways have said, the evidence I have just read is ample proof that the Crowsnest rates are paying and at least the Canadian lines of our Canadian railways earn the greater bulk of their profits through the hauling of grain from western Canada. It is quite true that during the six months' period indicated in the statement I have read there is quite a movement of other goods, but that is by virtue of the fact that the harvest is imminent in western Canada. The grain movement causes these other movement of goods, and hon. members will recognize at once the value of the grain grower in western Canada to the total business of this country.

I do not think this particular legislation will be of very great help to the maritime provinces, because it does not touch any of the basic economic problems which they have to face. Unless you deal with those problems all that can be said of this legislation is that it is simply a handout for the time being. It is very similar to a man who comes to your back door out of work and hungry; you give him a handout by way of some food or a little money but that does not solve his problem of being out of work and unable to earn a living.

Mr. ILSLEY: Would the hon. gentleman permit a question? How would he solve what he calls the fundamental economic problems of the maritimes?

Mr. GARDINER: I will come to that later. Therefore I say that this legislation does not touch any of the basic economic needs of the maritime provinces. There are no doubt a good many things which could be done for the maritimes, but we must remember that we have not before us the evidence which was taken by the commission, and are not therefore in a position to say whether any study was made of the economic problems affecting that part of Canada. I am rather inclined to believe that such a study was not made, and in my judgment the proper way to approach this question would be to go into the basic economic needs of the people dealing more particularly with their natural products and their natural resources. That should be the foundation of any legislation calculated to assist the people of the maritimes in recovering their economic prosperity.

Mr. MacLEAN (Prince): Will my hon. friend permit a question before he leaves the matter of the Crowsnest pass rates? When the Crowsnest pass rates on grain were retained by this House, was my hon. friend in favour of that legislation?

Mr. GARDINER: I certainly was.

Mr. MacLEAN (Prince): Can my hon. friend show the difference between the two pieces of legislation? The same object is sought in both cases. The method of arriving at it is immaterial.

Mr. GARDINER: I thought I had already explained the difference between the two pieces of legislation.

Mr. ERNST: What is the difference in principle?

Mr. SHORT: This legislation is designed to increase the business, as was the case with the Crowsnest pass legislation.

Mr. GARDINER: I was coming to that. Here we are going to subsidize the railway.

Mr. ILSLEY: Is any subsidy to the Canadian National lines necessary if business increases sufficiently? A subsidy would not be necessarily involved in this legislation.

Mr. GARDINER: If my hon. friend will permit me, I will make my own speech and will come to that subject a little later. No doubt there are several other things which could be done. For instance, when I was in the maritimes some three years ago, I was informed that cold storage plants were very essential to the fishing industry. That is a matter which might be given some consideration. I believe we have on the statute books to-day legislation that will assist in providing cold storage facilities for our fishing industry.

Mr. RALSTON: Perhaps the hon. gentleman is not aware that an announcement is made to-day in the Montreal Gazette and Halifax papers respecting the establishment of a cold storage plant under that legislation.

Mr. GARDINER: I had not heard it but I am pleased to hear it. If further cold storage facilities are required in order to assist the fishing industry, the matter should be looked into and given every consideration.

There is the question of developing new markets. It is quite true that we may transport from the maritime provinces into the central provinces and western Canada certain commodities, but in my judgment those commodities will be what may be termed natural products. As regards manufactured products, unless the product is one manufactured from a natural product of the maritime provinces, it seems ridiculous to grant subsidies in connection with freight rates in order to transport from the maritimes manufactured goods which are already manufactured in Ontario and Quebec. It is true that we might do a good deal to develop foreign markets for the products of the maritime provinces. It might be necessary, for instance, to appoint special commissioners who have a good knowledge of the natural products of the maritime provinces, so that they might go into the world markets and assist in creating new markets for those provinces. Since I have been a member of this House I have heard members from the maritime provinces state in this chamber that there is only one thing the maritime provinces want and that is higher protection. That statement has been made on several occasions.

Mr. ERNST: Who made the statement?

Mr. GARDINER: I think the hon. member for York-Sunbury (Mr. Hanson) has on several occasions made the statement or something similar to it.

Mr. HANSON: I never made that statement. I stated that we required protection for certain of our industries and I repeat the statement. We require it in regard to steel, for instance.

Mr. GARDINER: I accept the hon. member's statement; but the situation as I see it is that the maritime provinces are in much the same position as we are in western Canada in regard to manufacturing. We in western Canada can not expect to be much of a manufacturing country, and I do not think the maritime provinces can expect to be much of a manufacturing country.

Mr. DUNNING: Why should they not?

Mr. GARDINER: Except in regard to their natural products.

Mr. ERNST: We have quite a number.

Mr. GARDINER: I am glad to hear that. The reason why I make that statement is this: We have in Canada a banking system which controls the whole credit of the country. The boards of directors of those banks are mostly men in big industries in central Canada. If they find in the maritime provinces, or in western Canada, as the case may be, an industry which is competing to any extent with their particular industry, they are always in the position of being able more or less to withhold the credit of the bank and, by withholding that credit, to cripple the industry.

Some hon. MEMBERS: Oh, oh.

Mr. ERNST: Give an instance.

Mr. GARDINER: I think, if hon. members will examine the situation thoroughly, they will find that when the head offices of some banks were transferred from the maritime provinces to Montreal or Toronto, that was the time when industry in the maritime provinces commenced to decay.

Mr. CANTLEY: There is no connection whatever.

Mr. GARDINER: There is a big connection. Our banking system as it exists at present lends itself to monopoly.

Mr. BLACK (Halifax): It is the best in the world.

Mr. GARDINER: I will admit it is very fine for those who are in it; it is the best banking system in the world for those who are bankers and control the banking system. But credit is a factor which should be given consideration because, after all, the question of credit to any business is very important.

If you cannot secure reasonable lines of credit, or if you have to submit your case to the head office in either Montreal or Toronto, probably a thousand miles away, you are not going to receive the same consideration as you would if there was a head office in the locality or a different banking system. It is reasonably safe to say that the banking system of the United States, while it is true there have been many casualties, has been largely responsible for the splendid development of that country, because the people who control those different banks, localized as they are, are interested in the development of the locality and consequently those parts of the United States flourished to a greater extent than they would have done under our banking system. I merely throw out as a suggestion that this matter might be given some serious consideration. I know hon. members to my right will pooh-pooh the idea that there is any connection between banking credit and success in business. There is a very close connection. Without reasonable banking credit you can never hope to make any business a success.

I regret that the government has introduced this legislation in this manner. I wish to see the maritimes prosper; I would like to see this House do everything legitimate to allow them to prosper, but I think the best way to give them an opportunity to prosper is to give them an opportunity to help themselves. I am not of opinion that handing out bonuses or subsidies of this description is in the interest of the people to whom they are handed out. There are many things that could be done to assist the maritime provinces. I am not satisfied that the commission made a proper economic study of the situation. If they had done so, I think their report would not be as it is to-day, because in my judgment, at any rate as far as the report indicates, they did not begin to touch the basic economic factors, and until you remedy the conditions that attach to those economic factors, there can be no prosperity in the maritime provinces. Handing out bonuses may help them for a time, but it will be only for a time and they will be back here asking for something else.

Mr. VENIOT: Just as you were.

Mr. GARDINER: I do not know that we got from this House anything for which we did not pay. I think we in western Canada have paid for everything we have received, and furthermore I am going to say this, that we expect to pay for everything we get in the future, if we ever get anything. My hon. friend seems to be very much perturbed about the situation. I would challenge him to show where western Canada has ever received from the hands of this House anything for which we did not pay.

Mr. VENIOT: If that is a challenge, I will take it up when the time comes.

Mr. MacNUTT: What about the Crowsnest pass?

Mr. GARDINER: I have already explained that. The hon. member probably was not in the House at the time. I am opposed to this legislation and I am going to vote against it. But if the maritime provinces or the government can bring forward a legitimate proposition that is going to remedy the situation that exists in the maritime provinces, I can assure my maritime friends that I shall be only too willing and eager to support it.

Mr. ERNST: The hon. member has given the figures for first-class rates pertaining to the maritime provinces and compared them with rates in the rest of Canada. Has he the figures for articles that come under other classifications? The first-class rates include only a very few commodities. Does the same proportion apply in respect of the other classifications?

Mr. GARDINER: I was dealing with first-class rates and I used only the first-class rates.

Mr. ERNST: Does the same proportion apply with respect to rates for other classes?

Mr. GARDINER: Pretty nearly so far as I know. I will probably give some further information before the debate is concluded.

Hon. P. J. VENIOT (Postmaster General): Mr. Speaker, I did not intend to speak on the second reading of this bill. It was rather my intention to wait until the bill came before the committee of the whole House. I thought that after the Minister of Railways and Canals (Mr. Dunning) had fully explained the purport and effect of the bill, it would then perhaps be in order for me to meet as far as possible any criticisms that might be made in connection with the action of the government in implementing the recommendations of what is known as the Duncan report so far as they touch upon freight rates in the maritime provinces. Had it not been for the remarks of my hon. friend from York-Sunbury (Mr. Hanson), who always seems ready to drift into a political fight no matter

how the other members of this House may feel over a bill of this kind, I would not have spoken on this occasion.

After I was elected in the last campaign and was honoured with a call to form a part of the government of this country, I revisited my native province and was met on all sides by Conservatives and Liberals, and I wish to state here that assistance was offered to me by the leading Conservatives in the province of New Brunswick, as well as by the chief Conservative associations. They were all prepared to forget party affiliations, to forget whatever party politics we may have played in the past, so that Liberals and Conservatives of the province of New Brunswick, at least, could join hands in bringing to a successful issue the requests of the people of the maritime provinces. It was left to my hon. friend from York-Sunbury to inject into this discussion a political spirit which should not exist here to-day. I regret it very much, Mr. Speaker, because since the Duncan report has been before the country I have received the sympathetic aid of many leading Conservatives in the province of New Brunswick in whatever efforts I might be inclined to put forward in bringing the Duncan recommendations into effect. I am sure the hon. member for York-Sunbury is not voicing the feeling of the other Conservative members of the province of New Brunswick when he attempts, for the sake of a little political aggrandizement, to surround this discussion with a political atmosphere. But since he has done so, I think it is only right that I should place before this House at least some part of the history of the agitation on behalf of what is known to-day as maritime rights.

My hon. friend from York-Sunbury referred to a small group of Liberals in the province of New Brunswick who, he says, have injected a spirit of political partisanship into this fight. He is referring, no doubt, to a motion moved on the floor of the legislature of New Brunswick in connection with the Duncan report, which motion was treated by the government of the province as a want of confidence motion and voted down. If that is the basis for his injection of a political atmosphere into this discussion, I regret it very much, and I want to say to the hon. gentleman that the Liberals sitting on this side of the House have nothing whatever to do with what is being carried on to-day from a provincial standpoint in the legislature of the province of New Brunswick. I do know that the Liberals who are sitting there in opposition, eleven in number, are strongly in favour of this government carrying out the recommendations of the Duncan report, and if the word of the Premier of New Brunswick can be relied on, and I believe in this instance it can—politically I have no faith in him, but when it comes down to a question of this kind, and where he feels it is in the interest of his province to support such a movement as this, I have considerable faith in his word—when I see that the Premier of the province of New Brunswick through the press and other channels of communication has told the province of New Brunswick that he is entirely satisfied with the action of the government in bringing down legislation implementing the Duncan report, and when he goes to the point of stating that this government has implemented the Duncan report one hundred per cent, it ill becomes the hon. member for York-Sunbury to say to this House and to the province of New Brunswick that we on this side of the House in bringing down this legislation that we are pledged to bring down are only giving half a loaf so far as the Duncan report is concerned, more particularly in the matter of freight rates.

Mr. HANSON: Altogether in the matter of freight rates.

Mr. VENIOT: That is not what the Premier of New Brunswick says. He says that we could not do any more than we have done in the matter of freight rates, and I am prepared to accept the word of the Premier of New Brunswick against that of the hon. member for York-Sunbury.

Mr. HANSON: When the Premier of New Brunswick gave that interview, was this freight rates bill before the House of Commons? Had he seen it? Did he know it did not provide for international freight rates?

Mr. VENIOT: The Premier of New Brunswick knew that there would be international complications arising, and he so stated. He was honest enough to say that if those international complications did arise, then the Duncan report could not be implemented to its fullest extent so far as freight rates were concerned. That was the statement of the Premier of New Brunswick, and I want to give him credit for it. That is more than I can give to the hon. member for York-Sunbury.

My hon. friend from York-Sunbury states that this is the fruits of an agitation that has been going on for a number of years in the maritime provinces, and he refers to what was

known as the solid Nova Scotia group at one time in this House. He says that the government of that day turned a deaf ear to all their requests. Has my hon. friend forgotten that in 1920 the three Liberal governments of the provinces of Nova Scotia, New Brunswick, and Prince Edward Island sent a memorial to this very House, to the Conservative government of that day—I am not referring to this to make any political capital but merely to keep the record straight—and the Conservative government of that day, of which my hon. friend from York-Sunbury was a supporter, turned a deaf ear to that memorial. Does not my hon. friend remember that in 1920 in the legislature of New Brunswick, led by the Hon. Walter E. Foster, a Liberal premier, he and the leader of the opposition, the Hon. J. B. M. Baxter, a Conservative, both joined hands in passing a resolution unanimously, which was afterwards passed by the legislatures of Nova Scotia and Prince Edward Island, asking the government of that day to take into consideration the grievances of the maritime provinces, and stating specifically what those grievances were?

To a large extent the Duncan report supports the requests that were made at that time, in 1920. Not a word was said, no reply even was given to the representations then made by the three governments of the maritime provinces, and in 1921, again to keep the record straight, the same representations were made, and when the elections came on in that year the representative of the province of New Brunswick in the government of Canada, being then the Minister of Customs in that government, sat in council, and there was staring him in the face the request of the maritime provinces to protect our Canadian ports, and to prevent the export of wheat through American ports. He sat there when an order in council was passed by which he consented that $1,450,000 should be voted for the maintenance, upkeep and repair of the docks in the port of Portland, against the claims of the city of St. John, New Brunswick. That is the record, Mr. Speaker. I do not wish to go any further into that. I merely mention it because I want to keep the record straight, and I hope the next time my hon. friend speaks of maritime rights he will leave the political issue out of it.

I do not intend to go to any extent into the details of the argument which have been presented. I am much surprised that my hon. friend from Acadia (Mr. Gardiner) is not more sympathetic, coming from a place of that name, when he knows that in old Acadia, the oldest colony in Canada to-day, there is

a feeling in favour of what we call fair play, and I want to say to him that he has a misconception of the reasons why the maritime provinces are asking for this measure of justice. I want it to be distinctly understood —and I believe it is understood, and it will not be necessary for me to say it—that the maritime provinces are not before the House of Commons as suppliants for favours. We are here standing on the pact of confederation, and when my hon. friend from Acadia makes a comparison between this legislation and the legislation that brought about the Crowsnest pass rates, it is apparent he never has studied history. If he had studied the history of confederation he would have found that there was a pact between the fathers of confederation and old Canada, at that time Ontario and Quebec, that if we would consent to come into confederation they on their part would do so-and-so in order to help us out commercially, economically as they said, and otherwise, and when they laid the proposition before the maritime provinces those provinces were very prosperous. In 1867 Nova Scotia, New Brunswick and Prince Edward Island were prosperous, and showed greater prosperity than the provinces of Ontario and Quebec. While I am a strong and firm believer in confederation, while to-day I would not change my allegiance so far as confederation is concerned, I want it to be understood that I come down from a family that fought confederation from the beginning almost until the death of the parent that brought me into this world. I later on understood what confederation would mean, not only to Canada but to British connection on the North American continent, and for that I stood and for that I stand to-day. I want the rest of Canada to understand that when Nova Scotia and New Brunswick came into confederation in 1867, drawn into it almost against their will, when they were called upon to make the sacrifice they did it on account of a deep rooted sense of loyalty to the British Empire and a desire to maintain British supremacy in this half of the North American continent.

When the proposition was placed before the maritimres to go into confederation, the question of constructing a national railway came up, and it was pointed out that the Intercolonial railway could in five years become a paying proposition, but not if we were forced to build it, or to consent to its construction, along or in the direction laid down. By whom? Not by Canada of that day, Ontario and Quebec, but as a result of representations made from Great Britain

through the admiralty to our Canadian authorities, that to build a road along the line originally proposed would endanger British connection, because at any time an unfriendly nation—although at that time the nation to the south was not unfriendly—might take charge of the railroad and prevent the transportation of troops and prevent the ports of Halifax and St. John, from being used in aid of Great Britain should war break out. The railroad was distinctly promised to the people of the maritime provinces and there is no gainsaying the fact. People may say "You cannot find it in the law". It is true it is not enacted in the law, but Canada can depend upon the honour of its public men such as Sir John A. Macdonald, or Sir George Etienne Cartier, or the Hon. George Brown. We in the maritime provinces depended on their word of honour, and I desire to say to this House that the word of honour of these men, in so far as it touched or related to the Intercolonial railway, was kept until 1912.

For forty long years the Intercolonial railway was administered and operated in accordance with the promise given to us when we entered confederation. The freight rates at that time were arbitrary and preferential and so arranged as to bring back, or help to bring back, to the maritimes something in return for the sacrifices they made when in the name of loyalty they came into confederation. Up to 1912 the maritimes enjoyed those rates, and I want to correct my hon. friend. Sir Andrew Duncan need not say it to convince me of the truth of the statement; I knew it before Sir Andrew came to this country. The Intercolonial was completed in 1876, and it would appear from the evidence we have that from that time till 1912 the interests of the maritime provinces were fairly well guarded, the freight rates structure being such as to take into account the requirements of their traffic.

Let me once more keep the record straight. In 1912 an act was introduced into this House of Commons sanctioning the increase of freight rates on the old Intercolonial, and my hon. friend from York-Sunbury (Mr. Hanson), who has tried to inject a tinge of politics into this matter, might go back to that record and ask who was in power at that time. It was not the Liberal party that was in power in 1912. I want to draw the attention of the House, especially the attention of my friends in the far-off corner, to the fact that in 1912, before we undertook to increase the freight rates on the Intercolonial and make them equal to the freight rates in Upper Canada, the Intercolonial had a surplus of $1,000,000. While I am on the question of surpluses and deficits, let me say to this House that in all the forty years of operation of the Intercolonial the operating losses were a little over $9,000,000, while during the same period the surpluses amounted to $1,666,000. So during the forty years the railway incurred an indebtedness of only about seven million dollars.

Mr. SPENCER: Was any allowance made during those years for interest on the capital investment?

Mr. VENIOT: Can hon. gentlemen show me any instance of interest being allowed on government expenditure in the west?

Mr. SPENCER: That does not answer the question.

Mr. CANTLEY: Or on any public works?

Mr. VENIOT: Yes. As my hon. friend suggests, no interest is allowed on any public works that the government constructs. It is not a fair basis of comparison, and I am surprised that my hon. friend from Battle River should ask the question.

Mr. SPENCER: I asked the question for the sake of information. I am glad the hon. minister has informed the House that no interest was allowed.

Mr. VENIOT: All right. Let me go a little further for the sake of those who have not read the history of the maritime provinces. When New Brunswick and Nova Scotia came into confederation we had a railway from St. John to Shediac, and another, the old eastern section, from Halifax down to New Glasgow. Each of those railways was being operated by the provincial governments and making money. We handed them over as a part of the Intercolonial to the government of the day as one of the terms of the confederation bargain. We had undertaken to continue the road from Truro to St. John, and thence to the American border in order that we might get our natural and manufactured products into the New England states. What happened? The Imperial government in conjunction with the government of Canada, then Ontario and Quebec, forbade us to proceed with our undertaking for fear of international complications that might arise, and we were forced to accept this road along the north shore, 250 miles more in length than it otherwise would have been, to reach the seaports of the maritimes. It is for these reasons that to-day we are asking that faith be kept with us in regard to the Intercolonial railway.

Now, some of my hon. friends in discussing this matter tried to be fair, I suppose, but

they were not fair. This may be because they do not entirely understand the situation. I am not going to undertake to meet the hon. gentleman from Acadia on all the freight rate comparisons he made between different sections of the west and the east. Allow me to say, though, to him that we do not regret any transportation advantage now enjoyed by the western provinces. Indeed, we are prepared to continue it because we are patriotic enough to pay our share, to help with our little mite in making the west more prosperous, even if we have to go down deep into our pockets to do so. I would remind my hon. friend that to-day wheat from the west is being hauled to our Atlantic ports over the old Intercolonial at a percentage rate lower than the actual haulage cost. The percentage is .63 cents per ton mile, while in the maritimes it costs us for through freight or otherwise 1.090 cents per ton mile. Now, although we are hauling western freight below cost and thus creating a deficit, we are not complaining. My western friends will always find the maritimes ready to fight side by side with them for what they can convince us to be right; and what we are prepared to do for them in the way of fair play we expect they will do for us in so far as the maritimes are concerned.

Mr. EVANS: Does not the wheat that goes down over the Intercolonial to-day take that route at the request of the maritimes?

Mr. VENIOT: My hon. friend should not raise that question. If it would not benefit you you would never send it over the Intercolonial. If it were not for the fact that we are in a hurry to prorogue parliament before Easter, I would be delighted to discuss that point with my hon. friend. But I want to go a little further. I am not aggrieved because of the criticism of my hon. friend from Acadia, for I feel that both sides have a right to be heard, and that we should point out as far as possible the righteousness—if I may use that word—of our case. My hon. friend made a comparison of local and through rates on similar mileage. Why did he not make a comparison of what I might call the domestic freight rates within his own province with what we are paying in the maritime provinces on the same mileage? I refer to this because I have heard it in the corridors of this building and in the lobbies of the hotels that we in the maritimes enjoy much lower local rates than Ontario and the west. It is not true. I have in my hand a comparison of freight rates for a 200-mile haul in the maritimes, in Ontario and in the west on grain and wheat products. In the maritimes the rate is 25 cents per hundred pounds, in Ontario 18 cents, and in the west 20 cents. Even Ontario gets a lower rate than the west. Now, let me take the rates we pay on our potato crop, which to Prince Edward Island and to New Brunswick, and to a large extent to Nova Scotia, is what the wheat crop is to the west. On an equal mileage we are paying for the transportation of this commodity per 100 pounds the highest freight rates.

Mr. GARDINER: Might I ask the hon. member to give the figures for hauls between certain points?

Mr. VENIOT: Yes. For a 200-mile haul the rate in the maritimes is 23 cents, while on the prairies it is 22½ cents. I have not the Ontario figures.

Mr. COOTE: Will the hon. member give the points between which these rates apply?

Mr. VENIOT: There are a good many points which I am afreid my hon. friend cannot catch. Take a five hundred mile haul: the rate is 40½ cents in the maritimes and 38½ on the prairies.

Mr. COOTE: Unless the different points are given it is hard to verify the figures.

Mr. MacLEAN (Prince): These are standard mileage rates.

Mr. VENIOT: It need not be at all difficult to verify the figures. I give you a two hundred mile haul and you may take it wherever you like. My hon. friend says that he cannot verify the figures I have given. Was he able to verify the figures given by the hon. member for Acadia?

Mr. COOTE: What is the minister quoting from?

Mr. VENIOT: I am quoting from the freight rate tables of the Canadian National Railways prepared and compiled by one of the best expert freight men in the Dominion of Canada. Now some hon. members who have been listening to me may have some doubts as to the justice of our claim for what is ours by right under the pact of confederation. For the sake of these hon. gentlemen let me quote the observations of one of our great statesmen of that generation with reference to the Intercolonial railway. Speaking at Halifax on September 12, 1864, Sir John A. Macdonald said:

I do not hesitate to say that, with respect to the Intercolonial railway, it is understood by the people of Canada—

That is, Quebec and Ontario.

—that it can only be built as a means of political union for the colonies. It cannot be denied that the railway as a commercial enterprise would be of comparatively little commercial advantage to the people of Canada.

Then Ontario and Quebec.

While we have the St. Lawrence in summer, and the American ports in time of peace, we have all that is requisite for our purpose. We recognize, however, the fact that peace may not always exist, and that we must have some other means of outlet if we do not wish to be cut off from the ocean for months in the year. We wish to have greater security—to know that we can have assistance readily in the hour of danger. In the case of union, this railway must be a national work, and Canada will cheerfully contribute to the utmost extent to make that important link without which no political connection can be complete in Canada.

There Sir John A. Macdonald recognized this as a national enterprise and he was fully cognizant that the honour of Canada—that is, Quebec and Ontario—was at stake. If the Intercolonial had been built as a commercial enterprise and the maritime provinces had entered confederation distinctly on the understanding that the road would be built only as a commercial railway, then we of the maritimes to-day would be ready, to use a common expression, to take our medicine with the rest of the country. But that is not the case; we came into confederation on certain definite and well understood conditions. Just as Ontario and Quebec, Alberta, Saskatchewan, Manitoba and British Columbia all entered confederation in their respective days on condition that certain things would be done, so the maritime provinces joined the union fully believing that the pact would be lived up to so far as what was promised them. The government of this country is therefore in duty bound to adhere to the conditions of confederation, no matter what sacrifice this may mean to the treasury of the Dominion. That is the stand we take to-day, and it is the stand which I know every honest man in this House and in the country, every man who believes in British fair play, every man who believes that our public honour should be vindicated, will defend. Although we may not always see eye to eye with one another in our political transactions, although we may not all play the political game on the same side, the time, I firmly believe, has come when the people in this Dominion, of all shades of political opinion, are broad enough in mind and spirit to see that after sixty years of confederation the maritime provinces shall receive their due. I have faith enough in the broadmindedness and the sense of justice of Canadians to believe that there will be a general desire in this country to endorse such legislation as is necessary to implement the confederation agreement so far as the maritime provinces are concerned.

The Intercolonial was taken away from the maritimes in 1912 for no satisfactory reason whatever; it was not necessary to increase freight rates in order to make it self-sustaining. I therefore appeal with confidence to hon. members in all parts of the House to restore to us in that part of the Dominion that which rightfully belongs to us, and which will put us in a happier position, where we can feel that we are not abandoned by the rest of Canada. I know that when justice is done the maritime provinces by this Dominion there will be a widespread spirit of contentment in those provinces and a greater degree of happiness than at present exists. There never has been any fear on the part of the people of the maritime provinces that that section of the Dominion would ever become disloyal, either to Canada or to the British Empire at large. The people of the maritimes, in this sixtieth anniversary of confederation, are just as true to the Dominion as they have been at any time in its history, and if such calamity as occurred in 1914 should take place again I can assure the House that the maritime provinces will once again rally to the defence of British institutions. All we ask now is that we be given that modicum of fair play to which we are convinced we are entitled.

Mr. COOTE: Before the minister concludes, may I ask just one question? Is there any justification, from that statement which he has quoted from Sir John A. Macdonald, for the claim of the maritimes to have lower local freight rates than other parts of Canada?

Mr. VENIOT: Sir John A. Macdonald recognized that, in view of the fact that the Intercolonial railway was built for strategic military purposes, nothing would militate against the province of Nova Scotia or the province of New Brunswick in so far as domestic transportation was concerned. I did not take the trouble to read the whole of Sir John A. Macdonald's speech, but I would recommend it to my hon. friend's perusal, as well as the speeches of Howe and Brown. Brown opposed the construction of the Intercolonial for two years, but what was his attitude in 1866 before the conference was called in London? The Intercolonial railway was to be a national enterprise, and although he said it might not be a commercial success they wanted the road built in order to

send Canadian traffic through the Canadian ports of Halifax and St. John. Ever since that time successive governments, both Liberal and Tories, have been letting too much freight go through Portland instead of through those two Canadian ports of Halifax and St. John.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. JOHN EVANS (Rosetown): Mr. Speaker, in dealing with conditions in the maritime provinces, I realize that we are face to face with a serious problem which is of consequence not only to the maritimes but to the whole Dominion. This bill is brought in as a government measure to provide relief for the maritime provinces so that they, at the expense of the taxpayers generally, may find a market in the Dominion of Canada. But why the government first of all selected this part of the Duncan report and made it their measure as the first and chief way of creating prosperity down by the sea, is best known to themselves. All I can say is that I am utterly opposed to it, for two reasons. In the first place it is vicious in principle and it cannot but lead to serious consequences in the future. In the second place it does not meet the situation, as the difficulty which the maritime provinces are experiencing is due less to freight rates than to other causes.

But let me deal with my first reason for opposing this measure. If confederation is to be a success, every part of this Dominion must be on an equality, and for this reason I say that this legislation in itself is unreasonable. The commission that was created to study conditions in the maritime provinces has not found there anything essentially different from what is prevailing in other provinces, with the exception perhaps of those industrial centres which lean upon the protective tariff and the politician. The rural parts of Ontario are in exactly the same position. The commission too asserts on page 10:

> There were none who would assert, with any degree of positiveness and assurance, to what extent, and in what ways, there could be precise apportionment of fault to confederation.

But the vicious part of the whole matter in my opinion lies in the fact that the government in 1925 put on the statute books a bill to provide for the equalization of freight rates over the whole Dominion. That bill has been a dead letter ever since. The government has made no attempt to equalize freight rates, but now it seeks to place one-fifth of the freight rates of the maritime provinces on the rest of the Dominion, including the three prairie provinces which are already paying from 15 to 20 per cent higher freight rates than any other part of this country.

Mr. DUNNING: My hon. friend referred to a statute enacted in 1925 for the equalization of rates. Can he give me the reference to the statute in question? What is the chapter and the title?

Mr. EVANS: I do not have the act with me, but I will get it for the hon. gentleman when the bill comes into committee.

Mr. DUNNING: Is my hon. friend quite sure that there is such a statute?

Mr. EVANS: Quite sure. The hon. member for Acadia (Mr. Gardiner) quoted from an account of the investigation which took place lately before the commission. I will not repeat his quotations, but I would like to read part of an editorial that appeared recently in the Free Press of Winnipeg, a newspaper which MacLean's magazine says is the Manchester Guardian of Canada. The editorial reads:

> The investigation going on at Ottawa at the present into railway rates in Canada has already performed two notable services to western Canada. The first is that the old argument that the railways, under the Crowsnest pass agreement, hauled grain at a loss in western Canada has been exploded.

I would like my maritime friends to observe this:

> The second is that it has been established that the railways have been keeping their general rates from 15 per cent to 20 per cent higher on the prairies, not because of any real reason, but because they have been able to get away with it.

Public men made the east and particularly the maritimes believe that the east was being soaked in the matter of rates in order to make up the loss in the west on hauling grain. At the investigation the railway experts admitted to Symington and Pitblado that the prosperity of the railways depended on the western wheat crop. The editorial continues:

> At the rate investigation at Ottawa admissions have been obtained from high railway officials that wheat is not carried at a loss. The railway officials have been unable to maintain their argument that they lose money carrying grain at the same time that they increase their net profits when there is a lot of grain to be carried.

Mr. GARLAND (Bow River): Is the hon. gentleman aware that only a matter of a few weeks ago the railway officials admitted before the Board of Railway Commissioners that the western grain traffic was very, very profitable?

Mr. EVANS: That is what I am reading, from the Free Press editorial.

Mr. DUNNING: Surely if there is evidence available such as mentioned by the hon. member for Bow River (Mr. Garland) we should have the evidence itself quoted, instead of an editorial based upon the evidence. I am very anxious to see that evidence that the railways are making handsome profits in connection with the handling of grain.

Mr. GARLAND (Bow River): I shall be glad to show it to the hon. gentleman.

Mr. DUNNING: I shall be glad to have it quoted and put on Hansard.

Mr. GUTHRIE: Mr. Speaker, I rise to a point of order. We are on the second reading of the bill, and there are rules of debate applicable to the second reading, all of which are being disregarded. I agree with the minister that the bill should go into committee where we could have a full discussion, but this is not the stage to carry on a debate of this kind.

Mr. SPEAKER: The hon. member who has the floor may allow a question out of courtesy, but no cross-examination or general debate can take place.

Mr. EVANS: I promise the Minister of Railways (Mr. Dunning) that he shall have that information. I cannot but express my surprise that he is not already acquainted with it.

Mr. DUNNING: I must be permitted to say, Mr. Speaker, that I was not speaking of my own acquaintance with it, but of the desirability of getting the actual evidence, instead of editorial quotations, placed upon Hansard. While I am on my feet, may I say with reference to the point of order raised by the hon. leader of the opposition (Mr. Guthrie), that I had thought of raising it myself this afternoon. What we are discussing is a maritime freight rates bill, which is now up for its second reading, but hon. members are using the occasion to place on Hansard all sorts of views with respect to the banking system of Canada, free trade and tariffs, and freight rates in other parts of Canada. I did not attempt to go into any of these matters in introducing the bill, and I presume, Sir, you would rule me out of order if I attempted to reply to them. As a matter of justice I think hon. gentlemen should be held more strictly to the question now before the House.

Mr. EVANS: I would adhere strictly to the rules, Mr. Speaker, but the Minister of Railways did not raise any question of order when my friends from the maritimes were condemning the Crowsnest pass agreement as one of the factors why they have to pay such high freight rates.

Mr. DUNNING: I did not hear any such expression from any member who spoke from the other side.

Mr. EVANS: Well, it was said.

Mr. DUNNING: I do not think that statement was made.

Mr. EVANS: The legislation to equalize freight rates was enacted, in my opinion, to find an excuse for robbing western Canada of statutory protection against the skyrocketing of freight rates, and it has lain dormant here for two years, during which time a part of the crop has been hauled out, not on Crowsnest rates, but at a higher rate not regulated at all by the Crowsnest pass agreement. Now added to that, we have to bear one-fifth of the rate charged in a part of Canada which lies by the sea, and which, from an export country like Canada, should find a market for its products overseas. The maritimes also have the advantage of having a line of boats running below cost to their most prolific market, under the West India agreement, and the deficit on that service will have to be met every year by the country at large. The west has an average rail haul of 1,800 miles to reach tidewater, on which it is charged from 15 to 20 per cent more than any other part of the Dominion.

Again, I would quote an editorial from the Free Press which has gone out throughout western Canada, and I hope the west is taking particular notice of this. The Free Press of Winnipeg asks: "If this is the case, why should the west have to pay rates averaging 15 to 20 per cent higher than the tariff in eastern Canada? Have we been paying more because the railways were able to get away with it? Why should the rates be higher in the west especially when it has been shown that the cost of operation on the prairies is lower than anywhere else in Canada." This is something for the west to think about.

The admission made by Mr. Watson before the railway commission that a special privilege is given to the manufacturers on their products going to western Canada which somebody else has to pay for was quoted by my hon. friend from Acadia this afternoon. That admission clarifies the situation somewhat. But that is not all the privilege these manufacturers receive at the people's expense. For instance, the rates from Ontario and Quebec to the maritime provinces or to maritime ports are to-day 18 cents per hundredweight less than from the maritimes to Quebec and Ontario points; the traffic expert of the three prairie provinces is my authority for that statement. I want to tell this House that while the Crowsnest pass agreement did prevent to some extent the skyrocketing of freight rates in western Canada, the manufacturers in this privileged area in Ontario and Quebec enjoy a rate both ways that does not begin to cover the cost of the service.

Another feature of the policy of the government is this, that while ignoring their own measure to equalize freight rates over this Dominion, they also ignore the fact that the present rate structure to and from the maritimes is based on the short straight haul of the Canadian Pacific railway, and not as put forward by the maritime righters on the Canadian National railway, our old Intercolonial, which was constructed over a route 250 miles longer than it should have been. Those 250 miles which were built, as they say, for strategic purposes, are surely a benefit to those provinces since the railway rate is based on the short haul, and it has been responsible for a part of the deficit which the country has had to meet nearly every year. This has been practically a subsidy to those provinces ever since confederation. The 20 per cent proposed in this bill is an extra subsidy to be paid to cheapen the transportation of products of the maritimes going west. It is not meant to widen the markets of the maritimes for their products by hauling them further west, but is simply to be a charge on the taxpayer presented by way of a bill each year by the railway companies to parliament for the haulage of freight over this division. No one knows what it will cost. If it proves successful in improving conditions it will be to that extent each year an increasing burden on the rest of the Dominion. I say it is unfair because the present rate is based upon the Canadian Pacific railway straight haul, and not on the National Transcontinental. No one who has advocated maritime rights in this House during the last two or three years has ever once asserted that any pledge was given to these provinces at the time of confederation regarding this matter: that, after providing means by which their produce could be marketed in the Dominion, the Dominion was to pay any part of the haulage cost. No pledge was given regarding freight rates, and no one expected that part of the freight rate would ever have to be paid for them; in fact the Duncan report failed to establish the fact that any of the present trouble was due to any promises or pledges given at confederation. The rates in the maritime provinces have never been higher than the rates in the provinces of Quebec and Ontario, and anyone using the Crowsnest pass agreement as an argument for this subsidy must not forget that the Crowsnest pass rates were higher than in any other part of Canada on a given commodity over a given distance.

But let us look at this matter from another angle. When the maritime provinces, by agitation and threats of secession, can obtain a free gift of one-fifth of its rail rates, which are lower now by fifteen to twenty per cent than in some other parts of the Dominion, is it not natural that western Canada may ask herself if she is not paying too high a price to remain in confederation, and there will be more excuse for complaint than has ever been in the maritime provinces. Further than that, what will the industrial areas of Ontario and Quebec care how much they pay in taxes to meet their subsidy each year, as long as they can pass it on in the price of the goods they manufacture down here, and compel us to buy at their own price? By this measure I say the government is simply increasing the dose of the dope that has already reduced the country to a state of helplessness. This legislation is only a short cut-out for the time, and I can but classify it as shortsighted, unfair, vicious and unstatesmanlike. I am in sympathy with the maritime provinces as they are, but I want to meet conditions as they exist and go to the root of the evil now.

Mr. SHORT: Give us your remedy.

Mr. EVANS: I will. Now I come to my second reason for opposing this bill. I have said that it does not meet the situation, as the difficulties of the maritime provinces are due less to freight rates than to other causes. Those causes of impoverishment to-day are common to every province in the Dominion, and no one is feeling the result any more than the three prairie provinces. I contend the difficulty is common to every province and parts of provinces throughout Canada, with the exception of those towns and cities in central Canada which have thrived by the

adversity in other parts, of which adversity they have been the cause. I hold in my hand a pamphlet entitled, The Position of the Maritime Provinces in the Political Economy of Canada. It contains a lecture given by L. W. Simms. It would be well perhaps for this House to know who Mr. Simms is. He is president of the T. F. Simms & Co. Limited, St. John, N.B., president of the St. John Board of Trade. He is also president of the maritime board of trade, vice president of the Canadian chamber of commerce and second vice president of the Canadian Manufacturers Association. Surely this man knows what he is talking about. I will quote one or two paragraphs from this pamphlet. He says:

Turning to industry; the story of the maritime provinces under this head since confederation is a long series of tragedies. Some would-be comforters have tried to convince us, without knowledge of the facts, that the hard times in the maritimes were but the result of post-war depression that was common to all sections; but this industrial record belies them. You will find splendid industrial plants in many places in the maritimes standing gaunt and empty, or the stark ruins of once thriving industries staring mutely in a setting of tumbling cottages, once happy homes, their owners forced to go to New England for a livelihood. Not a few of these have been bought out, closed down, and dismantled by central Canadian competitors.

Then after describing how industry under the system of protection has been closed out to the maritime provinces by combines located in this central area, he says that the customs tariff and the law of trade restriction reduced the people to the state of slavery.

Mr. SHORT: Where are they reduced to slavery?

Mr. EVANS: Wait a minute. He crystallizes the whole situation by relating an incident, and I think there is nothing like an incident to bring home to anyone an unjust position. He says:

A year or so ago, a circumstance occurred which is unfortunately not an isolated instance of the nationally disruptive forces that commercial life has been guilty of. The jobbers of central Canada in a certain commodity went to the producers of this article, all of whom happened to be located in Ontario, and stipulated that no jobber in the maritimes was to get within ten per cent of the price they received. The size of their combined business was too important to be ignored, so the manufacturers agreed. Quite by accident a maritime wholesale house discovered the discrimination and protested vigorously. One manufacturer yielded to his protest for fair play, with the result that the central Canadian jobbers punished him by depriving him of hundreds of thousands of dollars worth of business.

That is what is the matter with the maritimes to-day.

Mr. SHORT: Is that slavery?

Mr. EVANS: It is slavery. It is price fixing, which means death to industry. I had a resolution on the order paper dealing with this matter.

Mr. SHORT: How about the wheat pool in the west? Is that slavery too?

Mr. SPEAKER: Order.

Mr. EVANS: I did not catch the question. I will pause for it.

Mr. SHORT: If that combine is slavery, what about the wheat pool in the west—is not that slavery too?

Mr. EVANS: Mr. Speaker, the hon. gentleman cannot distinguish between coöperative company which collectively sells the product of its members, and a combine which under the law is able to put its own price on the commodities that it sells to the public.

Mr. SHORT: Do not the wheat pool put their own prices on the wheat in the west?

Some hon. MEMBERS: No.

Mr. EVANS: As I said, Mr. Speaker, the hon. gentleman fails to distinguish between coöperative enterprise and a combine formed for the purpose of price-fixing. The wheat pool operating in the west to-day is a co-operative enterprise and is able to a very great extent, not wholly, to market the wheat of its members at a price which it obtains against the competition of the whole world, and the benefit of that price accrues to the members of the pool, but formerly the combines reaped the benefit. That is one of the remedies that I would recommend to the maritime people to-day—to coöperatively market and distribute their own products.

An hon. MEMBER: They do.

Mr. EVANS: Well, we are aiming to do so in the west. Mr. Simms goes on to say:

The government and the railway commission may do much to adjust more equitably the burden of our abnormal 3,700-mile length and 100-mile width, but the business men of the country can, I believe, do much more by getting together and substituting a broad patriotism for short-sighted selfishness; a patriotism that will yield far larger returns to each of them, and thus evolve a policy of equitable distribution on a give-and-take basis.

I maintain, Sir, that they do not have to do it on a give-and-take basis. Not only the manufacturers but the distributors have a price-fixing power in the Dominion to-day.

Mr. SHORT: Do not the wheat pool fix their prices?

Mr. SPEAKER: Order.

Mr. EVANS: No, the wheat pool sells its products in the markets of the world against world competition. In doing that it has to compete with the cheap labour of Asia and certain countries of Europe where men are paid a few copecks a day. It is unreasonable to compare the wheat pool with combines that are organized by the politicians of this country. The customs and tariff acts to-day are so administered as to give not only the manufacturers but the distributors the price-fixing power that they desire. Mr. Simms has well pointed this out in the paragraph which I have read from his address. Surely my friends from the maritimes are bound to take note of this fact.

Now, the government instead of meeting the real cause of trade stagnation in the maritimes, which is practically the protective tariff, have withheld the maritime report from this House for discussion, and in this piecemeal fashion seek still to aid the same combines which with this price-fixing power have despoiled the maritimes and now seek to clean up the whole Dominion. I say that deliberately. When the burdens of the maritimes are placed on the taxpayers of the whole country, it is simply a declaration on the part of the government that they are not willing to meet the real cause of the evil—the price-fixing power which they have given to these combines. Is it any wonder that maritime freight rates are high? Is it any wonder that freight rates are high throughout the Dominion? It is simply because the railway workers, to some extent, have been able to organize and demand a wage rate somewhat commensurate with the high cost of living caused by these combines. Let us meet things as they are. I tell the government right here that this measure ought not to become law until at least the bill passed in 1925 to equalize freight rates over the whole Dominion is put in force.

Mr. DUNNING: Again I ask my hon. friend for a reference to that statute.

Mr. EVANS: I will get it for you.

Mr. DUNNING: It does not exist.

Mr. EVANS: No excuse can be given for robbing western Canada of the Crowsnest pass agreement, which is not now being applied on the haulage of any commodities going west, and only to a very small portion of western territory on grain going east. I hope the west will take notice of what is being done. Then they will ask themselves the question: What part have we in confederation?

I want to repeat, though, Mr. Speaker, that I am sympathetic towards the maritime provinces. Why? Because we are in the same boat. We in the west have to meet the same conditions. I would urge the government not to beat about the bush as it is seeking to do by this bill. Confederation is a great and providential gift, and it is surely a travesty on our statesmanship that now on the eve of our jubilee celebration parts of this great Dominion are ready to withdraw from the union. What is the reason? Class privilege—nothing but class privilege. All industries in the Dominion, particularly since 1879, have leaned on the politician. It is time for a change. This Dominion can be a prison or a palace to its people as we choose either to follow the path of economic class selfishness or to further the righteous cause of humanity.

Mr. J. L. ILSLEY (Hants-Kings): Mr. Speaker, my remarks on the second reading of this bill will be very brief. I realize the desire on the part of every member to finish this session at the earliest possible moment, and I would not say anything on the bill at all if I did not deem it my duty to do so. Thus far in the debate no one on either side of the House has given expression to a very wide spread sentiment existing in the maritime provinces at the present time, namely, a sentiment of appreciation of the efforts of the government in introducing this and other measures for the benefit of the maritime provinces. I was very much surprised this afternoon to hear the partisan speech of the hon. member for York-Sunbury (Mr. Hanson), and I should like to remind the House that in his remarks he did not in any way represent the true sentiment, either Liberal or Conservative, of the maritime provinces. I can assure hon. members that the feeling of the people of Nova Scotia, New Brunswick and Prince Edward Island is one of appreciation of the government's activities at the present time.

I do not propose to go very fully into the merits of the bill before the House. The bill carries out one of the findings of the commission which was presided over by Sir Andrew Duncan. It has the weight of the findings of a non-partisan, independent and judicial inquiry presided over by a brilliant Englishman, which of itself, in my opinion, creates the presumption that these

findings are sound and should be implemented by legislation.

I want to congratulate the Minister of National Defence (Mr. Ralston), the Postmaster General (Mr. Veniot), the Minister of Railways (Mr. Dunning) and particularly the Prime Minister (Mr. Mackenzie King) upon the statesmanlike way in which this whole question of maritime rights has been handled. If we look back on the agitation which has been made for a recognition of maritime claims I think it will be agreed that there is not a man in this House, indeed there is not a person in the maritime provinces, who will not now say that the proper step to have taken was precisely the step that was taken, namely, the appointment of an independent commission of inquiry. It will be recalled that, during the course of the agitation for maritime rights, various views were put forward by various persons in the maritime provinces as to what should and what should not be done in that part of Canada. The Conservative party conducted the agitation for some years with great political success. They suggested a number of remedies of various sorts. Some of these suggestions have been condemned by the Duncan commission while others have been partially adopted. The course of the Conservative party in the province of Nova Scotia in the matter of maritime claims has been a tortuous one. In the year 1923 they started by advocating secession of the province. A little later they branched off to secession of the Intercolonial railway; and in the array of remedies which they advocated one was always in the forefront, namely, the restoration of the integrity of the Intercolonial railway. No one believes to-day that the integrity of the Intercolonial railway should be restored, that is to say, that the Intercolonial should be withdrawn from the Canadian National system. As a matter of fact the Duncan commission specifically finds against anything of that sort being done. I say, therefore, that the Prime Minister took the proper course when he decided, prior to the session of 1926, upon the appointment of a non-partisan commission of inquiry. It will be remembered that in the session of 1926 the government was bitterly assailed by the members from Nova Scotia on the Conservative side because of the appointment of that commission. It is quite interesting at this time to find the hon. member for York-Sunbury (Mr. Hanson) attempting, as he did this afternoon, to claim for the Conservative party credit for what has been accomplished. It is interesting to refer to Hansard of last year to see what stand was taken then by hon. members on the Conservative side of the House in relation to the appointment of this commission. My predecessor in the representation of Hants-Kings on page 969, said this:

> Surely we have a right to conclude that Bourbon stupidity could not be better exemplified than in the present proposal to appoint a royal commission to inquire into this matter.

The hon. member for Digby-Annapolis said on page 1415:

> We want no commission to tell us what is required to bring prosperity to this part of the country. . . . . We have no faith in commissions of this sort; they will not satisfy the minds of the people. . . . Why waste the country's money on needless expenditures of this kind.

That was the attitude of the member for Digby-Annapolis in the last session of parliament. At page 2331 the hon. member for Pictou (Mr. Cantley) said:

> I have no present intention to here or now attack the personnel of the proposed commission, but for the weighty reasons I have referred to and others eqally important we decline to submit our case to or to be in any way guided or obligated by any finding arising out of an investigation by such a commission.

Later on:

> I again tell the government we do not want a commission.

The junior member for Halifax, at page 436 of Hansard, is reported in terms most emphatic against the commission, while the hon. member for Cape Breton South said, as reported at page 1351:

> We do not want any commission in Nova Scotia.

The hon. member for Inverness is reported as follows on page 1407:

> As to the appointment of a commission of inquiry, however, I want to tell them that on October 29, the people of the maritime provinces appointed their own commission. That commission now sits within the four walls of this chamber.

It would be very interesting if we had the recommendations of that "commission" put into force at the present time rather than the recommendations of the Duncan commission. To begin with, in regard to the question of freight rates, the Duncan commission has recommended three times as much in the way of benefits to the maritime provinces in this direction than the Conservative party ever advocated. The whole remedy as prescribed by the Conservatives of Nova Scotia for the conditions in those provinces consisted in the reduction of freight rates on certain traffic originating in the maritime provinces and terminating in central Canada.

That was the sum total of their proposal. You may scan their platform from beginning to end and you will not see any evidence of its having occurred to them that there was anything wrong with other freight rates than those on traffic originating in the east and terminating in central Canada. The Duncan report, on the other hand, properly recognizes the importance to the maritime provinces of local traffic and of the export trade. I was very much interested this afternoon to hear, from the lips of the hon. member for York-Sunbury, admissions which he never would have made in 1911, for instance, the admission that maritime produce is rushing by carloads from New Brunswick into the United States. In my own constituency, I know, the most important feature of the Duncan report, so far as freight rates are concerned, has to do with the export rates. In my constituency we grow a great many apples. Of this commodity we export more from that constituency, than is shipped from any other part of Canada. Some time ago I had occasion to look into the figures to see where these apples went and I found, taking the last five years, that of every 100 barrels of apples packed and shipped in Nova Scotia only seven went to the central provinces, while nine were sold in the maritime provinces and no fewer than eighty-four were sold abroad, most of them in the English market. Take potatoes, of which we raise large quantities: ninety-nine per cent of our potatoes go to the United States, Cuba and the West Indies. In the county of Hants we have large deposits of gypsum, more probably than in all the rest of Canada put together. Last year our output was 600,000 tons, practically all of which went to the New England States and to New York. Take, again, evaporated apples. We sent 300,000 barrels of apples to the evaporators in 1925. The finished product went largely to Germany and the Netherlands. Practically all of it was marketed abroad. And a great many of our other farm products such as turnips and strawberries, to mention a few, go to the New England states; others produced in the constituency, and which I cannot recall at the moment, find their markets abroad. It is therefore of the utmost importance to people in that part of Nova Scotia that the export rates should be lowered. From the map it may be thought that, being on the sea, we have no export rates to pay. This is not so. In the matter of apples, for instance, the rate from the town of Berwick in the county of Kings, which is a large shipping point, to Halifax was seventeen cents per barrel in 1915; it is now thirty-four and a half cents. The shippers consider that the rates on apples form an onerous burden which is not justified by the circumstances, and they are looking with great interest to the action of the government with respect to export rates.

With regard to the course this debate took this afternoon, I do not intend to pursue the lines of inquiry which were then started, but I agree with a great deal of what has been said by the hon. member for Acadia (Mr. Gardiner) and by the hon. member for Rosetown (Mr. Evans). From the best consideration I can give the economic history of the province of Nova Scotia I believe that the question of tariffs is more important than that of freight rates, and that the greatest injury to that province has been done by the protective policy of Canada. I am not here to enter into a discussion of protection versus free trade, but I believe that the population figures, the figures relating to industry, and the facts which are apparent from an examination of the whole countryside show that the decline has been rapid in the province of Nova Scotia since and because of the protective tariff of 1879 and those which have followed. I am fully aware that certain industries in Nova Scotia may benefit from a protective tariff, such as the steel industry and possibly the coal industry, but nothing is more useless and nothing is more absurd than for hon. gentlemen to get up in this House and advocate a duty of $1 or $2 or $3 on coal, because at present it is not at all practicable.

Mr. CANTLEY: Why?

Mr. ILSLEY: I will tell the hon. member why. The Liberal and Progressive sentiment of the country is against it on low tariff principles, and the Conservative sentiment of the country is against it on business principles.

Mr. CANTLEY: If I may be allowed to say so, the leader of my hon. friend is on record to the contrary.

Mr. ILSLEY: Not at all; I think my hon. friend is entirely wrong.

Mr. CANTLEY: I can show my hon. friend a little later.

Mr. ILSLEY: Consider the Conservative party in Canada at present; we find one group from the maritime provinces which probably would be in favour of a higher duty on coal; we find a group from Ontario which would certainly be against a higher duty on coal, while the third group from the province of British Columbia would also be against it, because in that province they depend very greatly upon their export trade. As my hon. friend knows, a market for 50 per cent of the output of the

Crowsnest pass mines is found in the United States, and about 10 per cent of the output of the Vancouver Island mines is marketed in that country. The United States has a countervailing duty; that is, the duty there is equal to the Canadian duty on coal. As the hon. member for Comox-Alberni (Mr. Neill) said the other night in the course of another debate, a duty of $1 on Canadian coal would automatically raise the American duty to $1, which would put out of business a great many of the coal mines of British Columbia. I suppose no man in the House better knows the sentiment of the country with regard to the question of coal than does the hon. member for Cape Breton South (Mr. MacDonald), who represents a coal mining constituency. In the Halifax Chronicle of February 5 he is reported as follows:

> On the general trade policy recommendation of the report, and its lack of tariff recommendations, Mr. MacDonald said candidly, "With regard to duties on coal I am not hopeful."
>
> He said his experiences on the coal committee of the House last year had convinced him that central and western Canada are immovable in their opposition to such relief for the east.

That question was raised in the House, and his answer corroborated rather than contradicted that statement, because he said it was probable that central and western Canada would be against it. It is well known, so why do my hon. friends opposite tell the people in the coal mining constituencies that if returned to power they would raise the duty on coal? That is absolutely impractical as a political proposal, and I venture to say that hon. members on the other side of the House know it.

To come back to the argument from which I was distracted, I was about to say that I agree to a large extent with the hon. member for Acadia (Mr. Gardiner) and the hon. member for Rosetown (Mr. Evans) as to the fundamental causes of the decline of the maritime provinces. I think the Canadian tariff is probably the greatest cause, and that next in importance comes the American tariff. That is particularly true with relation to the fishing industry; twice in the history of Nova Scotia our fish have had free access to the American market, once between 1854 and 1866 under the old reciprocity treaty and again between 1873 and 1885 under the Treaty of Washington. During both of these periods the fishing industry was prosperous, reflecting a great deal of prosperity upon the province as a whole. We rejected a third opportunity in 1911, for which the great majority have been sorry ever since.

Mr. SHORT: Might I ask a question? Did we not have practically free access into the United States in 1912 or 1913, after we rejected the reciprocity treaty in 1911?

Mr. ILSLEY: No; there was a lowering of the tariff.

Mr. SHORT: And many articles were placed on the free list.

Mr. SPEAKER: I must ask hon. gentlemen to come back to the question of freight rates.

Mr. ILSLEY: With regard to the question of my hon. friend I will say that under the democratic tariff the duty on fish was lowered for some years, and perhaps some kinds of fish were allowed to enter the United States free. At any rate, that does not in any way detract from the argument I have been making.

I have referred to the Canadian and American tariffs, and next in importance to those have been the high freight rates, the gradual rise of freight rates on the Intercolonial railway. The historical course of events was set out very well this afternoon, and I do not need to repeat very much of it. The Intercolonial railway was built not as a commercial enterprise but as a public work, a national undertaking; its route was chosen not from commercial considerations but because of strategic considerations, and the understanding was that it was to be a great highway of traffic between the maritime provinces and the central parts of Canada. From its completion in 1876 until 1912 the understandings entered into at the time of confederation were faithfully carried out, but in 1912 when Hon. Frank Cochrane became Minister of Railways in the Borden government the rates on that railway were raised. As the rates were raised, and to the extent that they were raised, traffic was frozen along the Intercolonial railway; industries were forced out of business, and the raising of those rates contributed in a very large degree to the lamentable decline of industry in the maritime provinces which is so apparent at present. From 1918 to 1923 the Intercolonial railway was the only line in Canada which was not under the control of the Board of Railway Commissioners; various local rates were raised here and there and the shippers had no means of redress and no court to which they could appeal.

I am thoroughly in accord with the spirit and the provisions of this bill, and I wish to express the gratitude of a very great number of people in the maritime provinces for the step taken by the government in this matter. I deplore such remarks as that it is only a

half a loaf, and about keeping up the agitation, as stated by the hon. member for York-Sunbury (Mr. Hanson) this afternoon. On this side of the House, and I think on the other side as well, I believe we have a fair degree of unanimity of opinion; we have heard members from Quebec and from the western provinces express their sympathy with the maritimes and say they are prepared to back up the government in the steps which have been taken in introducing this and other measures. Nothing could be more fatal to the cause of the maritimes and nothing is more certain to forfeit the respect of the rest of Canada than to have a group of agitators continue to talk about this being only half a loaf and about keeping up the agitation until all sorts of things are obtained, things which are reported against by the Duncan commission and which, as a matter of fact, would not be of any real merit or benefit to the maritimes.

Mr. A. A. HEAPS (North Winnipeg): Mr. Speaker, just prior to the six o'clock recess I listened to a fine address delivered by the Postmaster General (Mr. Veniot). I was however rather surprised when he claimed that at the time the maritime provinces entered confederation they were enjoying a period of great prosperity. He asked the members to look up history in order to find out the facts concerning confederation. On looking up those facts I find that just prior to confederation the prosperity which had previously been apparent in the maritime provinces was already on the wane. I find that coincident with the abrogation of the reciprocity treaty with the United States in the year 1865, I believe, prosperity began to decline in the maritime provinces. To confirm that particular view I looked into the report of the Duncan commission, and I find this stated on page 10 of that report:

> We feel that the historical narrative given to us took too little account of the gain to maritime trade arising from the reciprocity arrangements of 1854-66, and the reactions of the American Civil war, and too little account of the changes that were bound to follow the abrogation of the reciprocity treaty which was practically coincident with confederation.

That does not bear out the statement made by the Postmaster General. The report goes on to state at the bottom of page 10:

> One more historical feature we must mention. It would not be straining history to say that the maritime provinces were themselves among the first to give birth to the vision of a confederated dominion, and that leaders of thought in these provinces who considered it to be their duty to oppose union in 1867, did so not so much because they were opposed to the conception of confederation but because of the particular circumstances in which it took form.

A not unimportant feature of these circumstances was that maritime trade had grown considerably since 1855, because of the conditions to which we have already referred, and the temporary character of that trade (particularly with the abrogation of reciprocity) could not at that particular moment be so well realized as in the retrospect of to-day.

That brings me down immediately to the findings of the Duncan commission. Some people seem to have a great deal of faith in commissions. I have on more than one occasion expressed my opinion in regard to type of commissions usually appointed in the Dominion of Canada. I had not very much faith in the personnel of this commission, and I am referring particularly to the one who presided over it. I remember that in 1925 the same Sir Andrew Duncan was appointed to investigate coal conditions in the maritime provinces. I remember how the same gentleman, even though at that time the men in the maritimes were earning a wage which was below a subsistence level, reported in favour of a 10 per cent reduction in wages. In addition to that he made some statements that are rather unusual as coming from a commission. When a commission is reporting on wages, it usually reports that the first charge on industry is wages. That is not the case with the report of the Duncan commission, which stated:

> We also recommend that, for the future, fluctuations of wages should be in accordance with the ability of the industry to pay, as determined by the proceeds of coal operations, and indicate the outline of a scheme with that in view.

In other words, if an industry is in a position of bankruptcy, the men who work in that particular industry would receive practically no wages at all. I wanted to find out who Sir Andrew Duncan was, and I was rather interested to learn only very recently that he is at present vice-president of the Shipbuilding Employers' Federation of Great Britain. It was rather startling to me to find out that the gentleman who had been appointed to preside over a wage inquiry in Nova Scotia was formerly secretary and subsequently vice-president of the Shipbuilding Employers' Federation of Great Britain. I wondered what would be said if we brought into this country as chairman of an arbitration board the vice-president of the American Federation of Labour. I presume we would have an enormous howl from the industrial interests who happen to be concerned in such an investigation.

I have another complaint to make in regard to the commission. In the first place this commission was composed of Sir Andrew Duncan,

a gentleman from Ontario and a gentleman from Nova Scotia. If a commission was going to be appointed, I do not think anybody from Nova Scotia ought to have been on it because that would give the commission one in favour of that province. If we were going to have an impartial commission we should have three commissioners outside of the provinces that were affected. In the second place no one appeared before the commission who could in any way rebut the views that were presented before it by counsel for the various provinces down by the sea. Nova Scotia had its representative before the commission who presented a very strong argument in favour of that particular province and the other provinces who were part of confederation were brought in. But no one was present on behalf of the other provinces of Canada or on behalf of the Dominion of Canada who could offer one word in rebuttal of that evidence.

It was claimed in this chamber this afternoon that the real agitation for the rights of the maritime provinces commenced in 1921, when a solid Liberal bloc from the maritimes came into this House, and that in 1926 that situation was reversed when almost a solid Conservative contingent came to this House determined to fight for maritime rights. It was also claimed that the adverse conditions of 1921 were responsible for bringing the question of maritime rights to a head. I think in all fairness the maritime provinces were not the only provinces in Canada to suffer as a result of after-war conditions. There was in Canada hardly a province that was not in bad shape in 1921 and subsequent years. Although it is claimed that the maritime provinces were harder hit than almost any other part of the Dominion, I do not believe anybody was harder hit than the farmers in the prairie provinces. Those farmers, who had been selling their wheat for $2.40 or even more per bushel found that in that year the price declined to about $1.00 per bushel. When such a huge drop took place in that staple commodity of western Canada, the west suffered to a much greater degree than the maritime provinces. In the same period, from 1921 onwards, the west made very little progress; in fact, I can safely say that the west, instead of going forward, went backwards. The population of western Canada in those years showed no real increase; in fact I can and I will prove in a moment that in the large industrial centres of western Canada the population actually declined between 1921 and 1926. I have some figures here, Mr. Speaker, in connection with the city of Winnipeg, and I think what was true of the city of Winnipeg was true also of many other industrial centres in western Canada. According to the figures compiled by the city assessor of Winnipeg, the population in 1916 was 201,981; in 1921, 196,947; 1926, 197,125. The school enrolment which has an important bearing upon these figures, was 27,514 in 1915; 1920, 33,006; 1925, 40,767. There was an increase in the enrolment of the school children in Winnipeg of 13,253, while there was a decrease in the population during the same time of 4,856.

Mr. DUNNING: Mr. Speaker, I rise to a point of order. What has the school population of Winnipeg to do with maritime freight rates?

Mr. HEAPS: If I might explain, Mr. Speaker, we have before us the Duncan report, which deals with the decline in population, and therefore the question of the decline in population in other parts of Canada may have some bearing upon the particular question before us.

Mr. DUNNING: This is the second reading of a bill dealing with freight rates.

Mr. SPEAKER: Yes, but the hon. gentleman is answering some statement made this afternoon by the Postmaster General (Mr. Veniot). I hope, however, that the hon. member will come more closely to the question at issue and discuss freight rates.

Mr. HEAPS: It may be pretty difficult, Mr. Speaker, to keep exactly within the confines of the bill itself. I notice that the Minister of Railways did not get up and check his own colleague the Postmaster General when he was wandering from the subject this afternoon.

Mr. DUNNING: I did not hear him wandering into Winnipeg.

Mr. HEAPS: No, but the freight rate question wandered into Winnipeg as exemplified by the fact that the Duncan commission sat for some little time in the city of Winnipeg. They wandered there anyhow.

I do not think it is fair, Mr. Speaker, to blame confederation for the conditions that exist at the present time in the maritimes. I think there may be other conditions that have brought about the depression in the maritimes apart altogether from the pact of confederation. Supposing that confederation had not come into effect; would the position of the maritime provinces be any better than it is to-day? I think there has been nothing given to show that it would be any better. Perhaps the nearest parallel that we have is the colony of Newfoundland. Newfoundland has been a self-governing colony all through.

She refused to come into confederation, and Newfoundland to-day is in no better position than the maritime provinces, if as good. I think the increase in population in Newfoundland—perhaps the Minister of Railways will not like me going into this question of population again—has been about the same as in the maritime provinces.

The maritime provinces have been complaining a good deal about the position in which they find themselves. I have in my hand some figures pertaining to the capital expenditure and receipts of the maritime provinces, and I find that in the year 1924 the per capita taxation of Prince Edward Island was $3.76; Nova Scotia, $3.72; New Brunswick, $3.60. I compare those figures with the figures of some of the western provinces.

Mr. DUNNING: Again, Mr. Speaker, I rise to point out that this is a freight rates bill, which has nothing to do with provincial taxation. I rise only in the interests of order and to keep the discussion more closely to this very important matter which is before the House.

Mr. HEAPS: Does not this bill arise out of the Duncan report, Mr. Speaker?

Mr. SPEAKER: This bill certainly is the outcome of the Duncan report, but it touches only one phase of that report, railway rates, and this legislation is brought in to correct what has been considered as a grievance of the maritime provinces. I quite understand, however, the trend of the remarks made by the hon. gentleman, and if we were now discussing the whole Duncan report I would say that he was perfectly in order, but we are discussing in connection with this bill only one phase of that report, and I would ask him kindly to confine his remarks to that phase of the report.

Mr. HEAPS: It is perhaps a little hard, Mr. Speaker, after all the other members have had the opportunity of discussing tariffs and every other question in connection with this report, that I should find myself in the unfortunate position where I have to confine myself strictly to the bill before the House. But I gladly accept your ruling, and I will try as far as possible in my remarks to keep within the rules of the House.

The question then arises as to whether these reduced freight rates are going to solve the problem of the maritimes. Supposing this palliative which is now suggested by the government does not palliate; supposing it does not bring prosperity; what is going to be the consequence? Will the representatives of the maritimes then come here, as has been suggested, and agitate for something more that they want, agitate to have the rate extended as far as Montreal, and if that does not help them sufficiently, to have it extended as far east as Toronto? Will there be any finality to it? The fact is, in my humble opinion, that reduced freight rates are not going to solve the problems of the maritime provinces, and I object to this legislation on the ground that it is going to give to the maritime provinces a preferential treatment which I do not think they ought to have any more than any other part of Canada. We are in this particular bill giving to a geographical area within the confines of confederation a preferential treatment, and in my opinion you cannot have confederation on a sound basis when you give preferential treatment to certain provinces within the confederation, because where you show favouritism on the one hand, you are bound to create an injustice on the other, and where you have an injustice you are going to have an agitation to have that injustice remedied. The consequence is we are now setting up a precedent for someone to come forward at a later date and ask for similar privileges for other parts of Canada. I am in favour of giving privileges to none, and of treating all people in all parts of Canada in exactly the same way.

It has been stated that the Crowsnest pass rates are in themselves something akin to what is proposed under this bill. Personally I cannot see the similarity at all. In the Crowsnest rates as existing at the present time a preference is given to a certain commodity which passes through three or four different provinces over a long haul. In this bill we are confining its provisions to the geographical area of three provinces, and we are giving a twenty per cent rebate on all local traffic in those provinces, in an area which commences and finishes in the three maritime provinces. It is altogether different from anything in the Crowsnest pass agreement as it exists at the present time, and those who try to show us that this is equal to or similar to the Crowsnest pass agreement are not, in my opinion, conversant with the situation.

I now come to the question as to how much this is going to help the great masses of people in Nova Scotia. Will it give the workers of Nova Scotia any better working conditions? Will it give them higher wages? I do not think so. I think that ultimately all the subsidies given under this bill will find their way to a very small percentage of the people of those provinces; the great masses of the people there will receive very

little indeed of the money which it is proposed to expend in the maritimes. The minister has claimed that these subsidies will amount to about two million dollars, as far as one of the railways is concerned. It will amount to twice that sum before we get through—four million dollars. And who is going to receive it? The railways will receive part of it and the large industrial and financial institutions will receive a great part of it. But the masses of the people of Nova Scotia will receive very little indeed. I hope I am in order in reading a reproduction from an article which appeared in MacLean's Magazine of October 15, 1926. It is written by a gentleman who is a good Conservative I believe. This is what he says about the maritime question—and I think it has something to do with freight rates:

> There are fishing communities where half the population drink in promises of wharves and breakwaters for six weeks. For the next four years they wonder when the material is to arrive, and then they start all over again. During the recent provincial campaign in Nova Scotia clever publicity men on both sides ignored the real issues, invented ridiculous slogans and appealed to the emotions and lowest instincts of the people rather than to their brains. In Queens county opposing candidates threw pulp mills at one anothers' heads, but it is a safe guess that the river Mersey will wind its way to the sea for many a long day before its waters lap the tanks of "the largest pulp and paper mill in eastern Canada."
>
> Is Canada playing fair with the maritime provinces? Who leased for ninety-nine years six hundred thousand acres of Nova Scotia's pulp and timber lands to be culled for export, at an annual rental of one cent per acre? Who developed hydro-electric power at a cost of millions of dollars, permitted it to fall into the hands of a corporation for one cent per kilowott hour, to be retailed to the citizens of Nova Scotia at approximately ten cents per kilowatt hour?

An hon. MEMBER: A Liberal government.

Mr. HEAPS: That may be all right, but it was not the Dominion government. If it was the Liberal government of Nova Scotia who committed the blunder, it is the people of Nova Scotia who should right these wrongs.

Mr. SPEAKER: Hon. members must confine their remarks to the matter before the House, and I think the present discussion is not relevant.

Mr. HEAPS: During the whole afternoon the different speakers covered the situation and a good deal of the discussion was from this angle. They went into the question of confederation, into the various industrial questions and many other matters, and I am very sorry that I am unable to follow the hon. members in the remarks which they made. I would like to deal with many of these subjects, but under the ruling you have given, Mr. Speaker, I shall not be able to do so. The question of the wealth of the provinces was mentioned very often by counsel for Nova Scotia and mentioned also in the report itself, and if the government adopts the course of having the report brought in piecemeal and comprised in several bills it is impossible for any hon. member to deal with the report itself. It is a most unfortunate thing, because personally I would have liked to discuss the whole report. There are so many phases of the Duncan report which are outside the scope of any one bill now before the House that we find it impossible to discuss the basis of the report. And I think it is more important to discuss the reasons why the report has been brought in than to discuss the report itself.

I was saying that I did not think that the report was going to bring prosperity to the great masses of the people of Nova Scotia, and, Mr. Speaker, in view of the fact that I find myself so restricted—which was not the case with other hon. members—I will close my remarks with that statement.

Mr. G. G. COOTE (Macleod): It was not my intention to take part in the debate on the second reading of this bill until I heard the remarks of the Postmaster General (Mr. Veniot) this afternoon. I think that some of the statements which he made should not go unchallenged. He seemed to be under the impression that the freight rates paid by the maritime provinces are higher than those which are being paid in western Canada. I am not very well supplied with quotations on railway rates, but I have here a few rates which might be some indication of the charges which are being levied in western Canada as compared with the east, on certain commodities.

I find that the rate on coal oil from Fort William to Tompkins, Saskatchewan, 978 miles, is $1.17, while the rate from Sarnia, Ont to St. John, New Brunswick, 980 miles, is only 68 cents. I find that on binder twine the rate from Fort William to Pilot Butte, Saskatchewan, 767 miles, is 98 cents, while the rate from Montreal to Halifax, a similar distance, is only 64 cents. The rate on agricultural implements from Fort William to Tilley, Alberta, 1,129 miles, is $1.17.

Mr. RALSTON: Will the hon. gentleman tell me if the same rate does not apply to his own territory, and does the rate not carry it considerably further than the particular point to which he refers?

Mr. COOTE: Not to the best of my knowledge. I think these rates which I am quoting are fairly comparative. Then the rate from Hamilton to Halifax, a distance of 1,129 miles, is 63 cents.

Mr. DUNNING: Will the hon. member tell me what he is quoting from, so as to enable me to follow him? If he is quoting export rates as against domestic rates, I should like to know for my own information. The minister requires to examine these things. Just what tariff is it that my hon. friend is quoting?

Mr. COOTE: These figures are taken from Canadian Pacific Railway tariff No. W4965 C.R.C. No. W2655. The distances are from the official distance table of the company. I will quote only one or two more—they seem to be so objectionable to the hon. minister.

Mr. DUNNING: Not at all. I really need the information. If my hon. friend is making a fair comparison, the rates he is quoting are very significant and need looking into. If, on the other hand. the comparison is between export rates and domestic rates, the House well knows the difference between the two.

Mr. COOTE: Some of these points I will quote are not export points. The rate on agricultural implements from Fort William to Swift Current, 929 miles, is 98 cents; from Hamilton to Edmundston, N.B., a similar distance, the rate is 61½ cents. The rate on binder twine from Fort William to Gull Lake, 964 miles, is $1.17; from Welland, Ontario, to Edmundston, N.B., 967 miles, the rate is 66½ cents. The rate on wire, iron and nails, and so forth, from Fort William to Swift Current, 929 miles, is $1.14; from Welland to Edmundston, N.B., a similar distance, the rate is 57 cents.

This afternoon the Postmaster General spent considerable time telling us what eastern Canada had done for the west. I think it might be well if the people of eastern Canada knew something of what the people in the west have done in contributing to railway earnings. I am going to quote from the evidence given by Mr. Symington before the special transportation rates committee of this House in 1923. He took the figures I am about to quote from data supplied by the Canadian Pacific Railway Company to the railway commission, and anyone can verify the figures by referring to the official reports of that committee. He said:

For the years 1907 to 1911 inclusive, the net earnings of the Canadian Pacific Railway on western lines as compared with eastern lines are as follows: on eastern lines, $43,500,000; on western lines, $91,500,000; or 110 per cent greater in western Canada than in the east.

Mr. RALSTON: Would my hon. friend give the comparative mileage?

Mr. COOTE: I have not the comparative mileage before me. I am trying to show the Postmaster General what western Canada has contributed to the net earnings of the Canadian Pacific.

Mr. VENIOT: The Postmaster General never denied that western Canada had done its share. I found no fault with western Canada at all.

Mr. COOTE: I am not finding any fault with eastern Canada either, but I am trying to enlighten the Postmaster General on what western Canada has done.

Mr. VENIOT: You need not.

Mr. COOTE:

For the next five year period, 1912 to 1916, the net earnings on eastern lines were $60,000,000, while on western lines they were $152,000,000, or 154 per cent greater. For the next five-year period, 1916 to 1920, the net earnings on eastern lines were $70,000,000, while on western lines they were $144,000,000, or 105 per cent greater. For the year 1921 the net earnings on eastern lines were $11,000,000, while on western lines they were $30,000,000, or 157 per cent greater.

For this total of sixteen years the net earnings on eastern lines were $184,500,000, while on western lines they were $417,500,000.

There seems to be a pretty general impression in this House that the railways in western Canada are not getting sufficiently high rates, but I think these figures should quiet the fears of hon. gentlemen in that regard.

Then I should like to remind the House, when it is thought that western Canada is getting some undue benefit in respect of freight rates, of a speech delivered by Mr. E. W. Beatty, president of the Canadian Pacific Railway, in New York on February 22, 1925, to an audience of railway men. Referring to the Canadian Northern railway, he said:

While a great conception carried to physical completion it failed because it was built before its time, and could not be operated successfully through the dislocation of war time. If instead of turning its prairie lines into a portion of a transcontinental system, the owners had been content to make as their termini the mountains on the west and the Great Lakes on the east, they would have been the wealthiest men in Canada, and Canada would not to-day be facing the railway burden it is compelled to bear.

I hope hon. gentlemen will compare the earnings made by this railway in western

Canada during the period I have given with what the Intercolonial was able to accomplish during the same period in the maritime provinces.

Now, Mr. Speaker, I know the House is very anxious to adjourn by Easter, and I should not like to be held responsible for delaying prorogation, but I want to direct the attention of the Minister of Railways to the remarks made this afternoon by the hon. member for York-Sunbury (Mr. Hanson). It seems to me that if this bill passes we are doing something very substantial for the maritime provinces. But the hon. member for York-Sunbury says the maritimes are not going to be satisfied until they get Montreal fixed as the western end of the Atlantic division of the Canadian National system. He also warns the government that this is only the first instalment of what the maritimes expect to get. If so, I am looking forward with a good deal of interest to what the "first instalment" is going to cost. Then maybe we can get some vague idea of the ultimate cost. The Postmaster General this afternoon referred to certain pledges made by Canada, or what was then Canada, to the maritime provinces to induce them to enter confederation, and he said that now we were only carrying out the terms that were really agreed to at that time. It seems to me, Mr. Speaker, that the provinces in western Canada had nothing whatever to do with any promise made to the maritimes, but I want to say right now that we do not object to any promises so made being carried out, although our only share in these to-day appears to be to help pay the bill. The railway commission found away back in 1914 that freight rates in western Canada were from 15 to 18 per cent higher than in the east. That view was concurred in by the late Hon. Frank Carvell in one of the judgments which he gave as chairman of the railway commission. It is true that the increases which have been made since that time were slightly larger in western Canada than in the east, but I think the railway commissioners themselves are still of the view that the rates in western Canada are higher in general than they are in the east. I cannot see how anyone can say that the maritimes are only getting justice if western Canada is called upon to pay her share of the 20 per cent which will probably have to be handed over by the government to the railways. If the maritimes consider that it is just that they should have lower freight rates than central Canada because central Canada gets some advantages from the tariff and other things, then I think that we in western Canada are justified in the statement that we are entitled to the same preferential treatment. Is the Minister of Railways (Mr. Dunning) prepared to accept that as a principle in fixing freight rates in Canada to-day? The pledge I refer to, so far as I can find it in the report, is to the effect that the Intercolonial railway, having been built for strategic reasons and being therefore 200 miles or so longer than it would be if constructed in a direct line, should impose only such charges as would be justified in connection with a direct route. I do not think the maritimes are paying any greater charges to-day than they would if the line had been built over the shortest course; that is to say, the through rates to the maritimes are all based on the length of the Canadian Pacific Railway, short haul.

I would not object to the legislation now before us if it applied only to interprovincial traffic. If we wanted to do something to make it easier for the maritimes to trade with central Canada we should, in my opinion, give sympathetic consideration to such a proposal. But I do not see why one part of Canada should be singled out for preferential treatment in connection with local freight rates rather than any other section of the country. I do not see how the principle can be defended. I almost feel like saying that if the Minister of Railways can swallow that proposal, then surely we ought to admit that it is probable the whale did swallow Jonah.

I listened to the minister this afternoon as he spoke in support of this bill—or rather, spoke on the bill, because I could not find very much in his speech that was in support of it. I may be doing him an injustice, and I do not want deliberately to do so. But, as nearly as I can remember, the reason he gave for bringing in this bill was that the Duncan commission had recommended it. I agree with the hon. member for Cartier (Mr. Jacobs) in the statement he made in his speech on the budget, that this investigation was a very one-sided affair, what the legal men, I believe, term an ex parte hearing. Only one side was represented. The Dominion government itself was too busy with an election campaign to be represented at the inquiry, and everybody else who should have been looking after this matter was also busy. But evidently somebody in the maritime provinces was interested and was busy entertaining the royal commission, putting them in the humour to recommend something that would certainly be of some benefit to that part of Canada.

There are one or two things in the report that strike me as being somewhat peculiar. It is pointed out at page 10 that the commission did not find that any pledges had been

made to the maritime provinces at confederation which the commission would be justified in endorsing. Let me quote briefly from what is stated on page 10:

As much indeed was admitted by witnesses who discussed this aspect of the case with us in the course of the evidence, and there were none who would assert, with any degree of positiveness and assurance, to what extent, and in what ways, there could be precise apportionment of fault to confederation. The truth is that the responsibility of confederation can only be a matter of speculation and not of proof.

It seems to me that the commission have stated in fairly definite language that they are of the opinion that it was not proved to them that there were any pledges made to the maritime provinces at confederation which had not been carried out, and that conditions in those provinces could be regarded as being in no way attributable to any failure to observe any such pledges.

Mr. DUNNING: The language my hon. friend quotes certainly is not to the effect of what he says.

Mr. COOTE: It seems to me that is the only inference to be drawn from it. But suppose we agree that a pledge was given to the maritime provinces that a railway was to be built—let us admit that— and that although the railway would be longer than it should be inasmuch as, for strategic reasons, it followed the course of the river St. Lawrence, keeping in Canadian territory, it would not impose such rates as might be termed strictly commercial. Let us suppose that. But was there any promise, implied or otherwise, that after the railway was built local rates within the maritime provinces themselves—and there were railways in the maritime provinces before the Intercolonial was built—would be lower than in other sections of Canada? Surely that was not implied in any pledge given the maritime provinces. At any rate I have never heard it stated in this House, nor do I recall any such argument presented by members from the maritime provinces in the last six years.

The recommendation of the Duncan commission as to freight rates is to be found at page 22 of the report. It seems to me that there is one sentence in particular that calls for some explanation. Let me quote:

He further explained that, owing to grades and curvature, the operating and maintenance expenses of this branch of the railway were much greater than the average of the rest of the system and,—

[Mr. Coote.]

These are the words I want to direct attention to particularly.

—still further, that winter conditions in the maritime provinces necessitated special expenditure arising from snow and ice conditions.

I want to ask: Since when has it been adopted as a principle, in the fixing of freight rates in Canada, that because operations in a particular part of the country are expensive, therefore there shall be a reduction there in freight rates? The people of Alberta and British Columbia particularly are suffering from high freight rates; the interprovincial rates, I believe, are 25 per cent above the level of the rates charged on the prairies. This is due to difficulty of railway operation on the Canadian Pacific between Alberta and British Columbia through the mountain section. Now, are we going to reverse our railway rate policy in Canada and declare that because of difficulties in the mountain section, similar to those referred to in the paragraph of the report I have just quoted, therefore lower freight rates will be conceded? The rates are higher on the prairies than they are in the maritime provinces at the present time, and I say without fear of contradiction that there is no part of Canada where railways can operate so cheaply as on the prairies, and particularly in the western end. They are not bothered much with snow and ice conditions there, although the general opinion in Canada may be very much to the contrary. In the part of Alberta in which I live we never see a snow plow, and we have no snow and ice conditions to combat. Nevertheless we are paying higher rates.

It does seem to me that there is no true economic basis for this freight rate bill. I regret very much that a Liberal government has fallen for this idea of bonusing freight rates. Where is it going to stop? Why let us stop with the maritime provinces? Why have not the prairie provinces as much right to ask for the same thing? Why should not the Peace River country ask for the same thing also; they are isolated a thousand miles away from the ocean? Why should the maritime provinces be the only ones to receive such a benefit? I will put this question to the Minister of Finance (Mr. Robb) because he will have to arrange to pay the bill. Why should the maritime provinces get a 20 per cent lower rate on the butter for instance, which they hope to export to England, over that part of the haul which is across New Brunswick or Nova Scotia to tide water, while the farmers of Alberta must pay a higher rate if they desire to ship through Atlantic

ports, on a three thousand mile rail haul? I cannot see on what grounds this legislation is introduced unless it is in the nature of a compassionate allowance to these provinces. Some maritime province members may be impatient with us for opposing this bill at all, but I wish they were in our position. We are seven hundred miles from the Pacific ocean, but the railway commission says that because the Canadian Pacific railway has a difficult section of line to operate through the Rocky mountains we must pay a rate 25 per cent higher than that paid by the people on the prairies. Then we have a bill presented to us by which the Dominion government is to pay 20 per cent of the freight rates on the products of the maritime provinces in order to get them to the sea board possibly one hundred or two hundred miles away; that is beyond our understanding. I do not doubt at all that the legislation will go through, but—

Mr. DUNNING: Would my hon. friend permit a question? Is he not asking at present for substantially the same principle to be applied to coal coming eastward?

Mr. COOTE: No, I have not yet asked for it, but I can assure the minister that it will not be very long before we will ask for it, because when this bill is passed the principle is firmly fixed. I would ask the minister a question. Is he prepared to give to all the other applications for preferential treatment just as favourable consideration as was given to the application of the maritime provinces?

Mr. DUNNING: I shall be glad to answer that when it is my opportunity.

Mr. COOTE: Then I would ask the minister a further question. Does he consider it good policy to place such legislation upon the statute books simply because a royal commission recommends it? As near as I can gather that is about the only reason the minister can give. He may have other reasons, which I would have expected him to present to the House on the second reading of the bill.

Mr. DUNNING: I gave them once and I will give them again.

Mr. COOTE: If this House gives second reading to a bill they agree to the principle, and I was a little surprised this afternoon that the Minister of Railways expected the House to give this bill its second reading with no further arguments than had been advanced at that time.

Before sitting down I would like to say that if this proposal were to assist the maritime provinces in their dealings with the other provinces, that is, to assist interprovincial trade by lowering rates over this long distance which separates them from central Canada, I would view the legislation very sympathetically, as I would view any legislation which would help bring western and eastern Canada closer together. May I say to hon. members that we in the west are under a great handicap. Under the tariff system of this country we are compelled to trade with central Canada; we are compelled to buy our supplies in central Canada; they must be hauled for a long distance across practically one thousand miles of rocks and Christmas trees, as one hon. member used to put it, and we have to pay the freight bill. Central Canada does not pay it; we pay the freight on everything we bring in and on everything we send out. Under these circumstances we feel this long haul very keenly, and we sympathize with the maritime provinces in their endeavour to overcome a similar handicap. It is true that the haul in their case is not so long, but it presents a difficult problem. But we fail to understand, why local rates in the maritime provinces should be reduced 20 per cent with the Dominion government paying the bill, because that means that every section of Canada must pay a share. Because I think this policy is unsound, Mr. Speaker, I intend to vote against the second reading of the bill.

Hon. J. L. RALSTON (Minister of National Defence): I am sorry to detain the House at this late stage and at this late hour of the evening, but I feel that it is my duty as a supporter of this bill to give the House some reasons why I think it should receive the support and sympathy not only of those in the maritime provinces but of Canadians generally. I would not be human and I would not be of the generous disposition generally accredited to Canadians if at the outset I did not express the appreciation and the satisfaction which exists in the maritime provinces with the statement made by the Prime Minister (Mr. Mackenzie King) on March 18. I also wish to place on record our acknowledgments to the commission presided over by Sir Andrew Rae Duncan, of which Judge W. B. Wallace and Doctor Cyrus Macmillan were members, for the work they did. In four months' time that commission dealt with questions which have vexed and perplexed the souls and tempers of the people of the maritime provinces and of other parts of Canada as well for a good many years. The subject had been dealt with repeatedly in speeches; it has been the subject of election

programs and campaigns, and in that short time these gentlemen heard evidence and arrived at conclusions far-reaching in character which I at least, as one Canadian, believe will do much to solve the problems and settle the difficulties which have existed. I feel that not only the sympathetic spirit with which they approached this question but also the businesslike attitude and expedition which they displayed is worthy of note in these days when commissions are reputed to take so long and to be so dilatory in their work. Notwithstanding what has been said from some parts of this chamber to-day, I believe the country generally is indebted to these gentlemen for the work they have done and for the way in which they dealt with the task in hand.

As for the Prime Minister, I want to express my personal appreciation of the earnest consideration he has given this matter and of the statesmanlike way in which he has carried out what we regarded as honourable obligations to the people of the maritime provinces in view of the appointment of this commission. I do not propose to make a partisan speech, but the Liberal party can at least say to the people of Canada that after speeches had been made on this question and after it had been a political football for a good many years, they dealt with the matter in a businesslike fashion, appointed a commission, told the people of the maritime provinces to bring on their evidence and make their case, and directed the commission to make a finding in accordance with the facts, and to make concrete recommendations. That commission acted promptly and made these recommendations, and it was with a great deal of satisfaction indeed that the people of the maritime provinces heard the announcement of the Prime Minister that these recommendations would be carried out. I am sure he would be the first to acknowledge that the decision which was arrived at came not only from efforts of his own, but from the generous spirit manifested by his colleagues in the cabinet, by members on this side of the House and I believe on the other side as well, and generally by the people of Canada, who felt that the time had come when this problem should be effectively dealt with. Therefore I feel that it is only doing justice that we should recognize—as I know the people of the maritimes do recognize—the splendid spirit in which this report and announcement have been generally received by all parts of Canada.

I regret that in this House there has been the suggestion of an issue between the east and the west. I deprecate any idea of competition between the east and the west for special favours at the hands of this parliament. I presume each hon. member has at heart the particular section of the country from which he comes. A man who came from Nova Scotia would be a very poor Canadian if he were not a Nova Scotian too. A man who came from Alberta would be a very poor Canadian if he did not stand up for the rights of his province. But I feel that when we come to this parliament, these problems can best be solved by taking a broad Canadian view of them, and I would commend to hon. members in the other corner of this chamber the action which was taken by that solid bloc from Nova Scotia in 1923 when they solidly voted for a very similar measure to that which is being asked for to-day on the part of the maritime provinces, namely the Crowsnest rate legislation. In that they showed that they as Canadians were anxious to help to solve the problems of the west. I believe, before the vote comes, our friends will feel that they as Canadians should be equally solicitous and anxious to help in this way to solve the problems of the east.

Mr. GARLAND (Bow River): Is the hon. gentleman not rather asking us to stretch our generosity a point when he remembers that the government, under the same leader which he has to-day, took away from us all the westbound rates under the old Crowsnest pass agreement?

Mr. RALSTON: I will deal with the Crowsnest pass agreement. May I just make this point now? I am not making this statement in the spirit of throwing it up to anybody; I am doing it only in order to indicate that this parliament is big and broad enough to deal with the difficulties of any particular section which feels that it has problems which call for solution. The Crowsnest pass agreement and the statute which was passed in 1923 did what this legislation does not suggest doing. It said that for all time to come, or at least for as long as the statute remained in existence, the freight rates which existed away back in 1897, nearly thirty years before, on grain and flour, should be reverted to in the year of grace 1923, and that those rates should apply not only to the stations to which they applied under the Crowsnest pass agreement and to Canadian Pacific lines, but to all lines and between all stations. That was at least a spirit of justice. The hon. member for Bow River uses the term "generosity". It may have been a spirit of generosity. Nevertheless it was something which it was thought was required at that

time by the people of western Canada and it was freely given by this parliament.

Mr. GARLAND (Bow River): The hon. gentleman is still stretching our generosity. He has overlooked entirely my reference to the fact that the government in which he is now a minister took away from us the westbound rates under that agreement.

Mr. RALSTON: I am not aware of any taking away. If my hon. friends got for all time a rate which had been in existence thirty years before, notwithstanding the fact that the cost of labour and cost of operating must have doubled since then, and if they got it between all stations and on all lines of railway, surely that must have been some quid pro quo for not restoring the old westbound rates between the original stations on the Canadian Pacific. My hon. friend also knows that immediately an application was made to the Board of Railway Commissioners citing the Crowsnest agreement as a new basis of rate making and asking that the Crowsnest rates should apply westerly as well as easterly. I mention that simply in order that hon members in the country may realize that this House has endeavoured to deal fairly with all sections of Canada.

I must confess that I do not know as much about western rates as some hon. members have suggested they know about eastern rates. I can only take what records I have and be subject to correction if in any way I am speaking other than by the book. In regard to the difficulties of the maritime provinces in connection with freight rates, the increases in rates began, as has been said to-day, in 1913 when a 10 per cent increase was imposed on Intercolonial railway rates alone without any corresponding increase in rates in other parts of Canada. That was followed in July, 1915, by another increase of 5 per cent on Intercolonial rates, and still the rest of Canada suffered no increase. That was followed again in November, 1915, by another 5 per cent increase in rates on the Intercolonial railway alone. It was not until a year after that an increase of 5 per cent was made in freight rates in Canada, and I call the attention of the hon. member for Bow River to this fact that this first increase by the Board of Railway Commissioners applicable outside of the Intercolonial Railway applied only to stations east of Port Arthur. That was followed in 1918, March 15, by what is known as the 15 per cent increase which applied east and west both, but it excepted wheat, which is a pretty important commodity out west. That was followed again on August 12, 1918, by a 25 per cent increase in rates all over Canada, but what happened? When that increase was imposed all over Canada, the 15 per cent increase which had been imposed by the previous order was knocked off so far as western Canada was concerned. This left the maritime provinces and Ontario with the pyramided increases of 15 per cent and 25 per cent, whereas the western provinces suffered only the 25 per cent increase. That was followed on September 13, 1920, by a further 40 per cent increase—40 per cent in eastern Canada, and 35 per cent in western Canada. A provision was made that on January 1, 1921, a reduction was to take place, but the reduction in western Canada was a reduction down to 30 per cent of the previous rate, whereas the reduction in eastern Canada was a reduction down to 35 per cent of the previous rate. Thus, comparing eastern and western Canada respecting increases in freight rates, we have first a 10 per cent increase, then two 5 per cent increases and then a 15 per cent increase, all on eastern rates but not on western rates, and the first three of these applied to the Intercolonial railway alone.

In addition my hon, friends know that branch lines to a great extent have been built in western Canada. I am finding no fault with that whatever; but when the hon. member for Macleod (Mr. Coote) referred to the comparative operating revenue on the Canadian Pacific in eastern and western Canada respectively I do not think he was giving us very much useful information. This all depends on the comparative mileage in the east and west of road that is operated.

Mr. COOTE: Is the fact that these railways are very often in competition with each other for a certain piece of territory in which to build a branch line not pretty good evidence that they want more mileage in western Canada?

Mr. RALSTON: I am endeavouring to show that eastern Canada along with western Canada has tried to do its share toward providing railways for western Canada, and that these railways in western Canada just as much as the railways in eastern Canada are not attempting to pay the interest on their investment, because it is part of the development of Canada that western Canada shall have an opportunity to have its wheat transported for export purposes.

Somebody suggested in this chamber this evening that the west was paying 20 per cent more for transporting its wheat than the

wheat rates in the maritime provinces. I want to refer my hon. friend to what I understand are the comparative rates on grain and grain products, not in any spirit of criticism, but only so that the facts may be known. Let us take a 200-mile haul.

The rate on grain and grain products for 200 miles in the maritime provinces, I am told, is 25 cents per 100 pounds; in Ontario, 18 cents per 100 pounds; in the western provinces, 20 cents per 100 pounds.

On potatoes, the rate for 200 miles in the maritime provinces is 23 cents per 100 pounds; in the prairie provinces, 22½ cents per 100 pounds.

On lumber, the rate for 200 miles in the maritime provinces is 14 cents per 100 pounds; in the prairie provinces, 11½ cents per 100 pounds.

So I do feel that the criticism is not quite accurate when hon. gentlemen are suggesting that western rates are already 20 per cent higher on grain, and that it is now proposed to reduce the maritime province rates by a further 20 per cent.

I would also call the attention of hon gentlemen to this. This country is expected to provide for the building of the Hudson Bay railway. The eastern members expect to vote for that railway. I think members on all sides of the House are pretty well committed to it, and there is going to be no grudging about expending that money. If conditions warrant the railway will be built and it will be for the benefit primarily of the western provinces; further it will divert a certain amount of traffic from the eastern ports, but nevertheless it has been dealt with as a Canadian policy and I assume that members on both sides of the House will support it.

I had a statement made up in order that the House may realize just exactly what has been done in this country of ours with regard to transportation, of expenditures and commitments by the Dominion government on railways, waterways and immigration from 1867 to 1925. I may say that the expenditure on immigration is a very small amount. I am going to hand this statement to Hansard. It is as follows:

Dominion Government Expenditure and Commitments on Railways, Waterways and Immigration—1867 to 1925

Aid to All Railways

Reference		Form	Amount
S.R.S. (1925)	10	Cash in form of Subsidies	$ 176,693,510
	10	Land, 31,678,318 acres at $5	158,391,590
R. & C. (1926)	11	Dominion Investment in Railways	1,188,482,341
	11	Funded debt due public Canadian Nat. Rys. (x)	931,329,302
	12	Cash for Can. Northern Shares	10,000,000
		Total	$2,464,896,743
R. & C.	13 (x)	Of this amount the Dominion has actually guaranteed or assumed guarantees amounting to $674,947,283.	
S.R.S.	49 & 51	Item does not include allowance for $343,994,000 shares of C.N., G.T., and G.T.P., not held by Government.	

Aid to Waterways

R. & C.	73	Total expenditures on Canals (less income)	225,730,355
		To complete Welland	60,000,000
		Expenditure on St. Lawrence below Montreal	27,703,145
		Total	$313,433,000

Immigration

Y.B.	183	Total expenditure 1868-1925	39,059,479
		Grand total expenditures and commitments	$2,817,389,222

Aid to Railways in Maritime Provinces

R. & C.	82	Capital expenditure on all Railways in maritime provinces	166,998,856
R. & C.	71	Capital expenditure on St. Peters Canal	648,547
		Grand total	$167,998,856
		Maritime provinces share of total expenditure and commitments on all railways, waterways and immigration, in proportion to population, or 11 per cent would equal	309,912,000
		Expenditures in maritime provinces	167,998,856
		Deficit	$141,913,144
		Annual interest on above at 5 per cent	7,095,657

I will just give the House the totals if I may be permitted. The grand total of federal expenditures and commitments for railways, waterways and immigration since confederation is $2,817,389,222.

Mr. BLACK (Halifax): How much of that has been expended in the province of Nova Scotia?

Mr. RALSTON: I am sorry I cannot give that, but the amount which has been expended in the maritime provinces, of that $2,817,389,222 is $167,998,856. The amount which would have been expended had the maritime provinces had railway expenditures made within their borders proportionate to their contribution based on population would have been $309,912,000. In other words $141,913,144 more than the share of the population of the rest of Canada has been expended outside the maritime provinces, and the maritime provinces have paid it. I am not suggesting, and this House will understand me I know, that there should be a meticulous accounting, and that you should argue that because the maritime provinces have contributed that $309,000,000 odd, they should ask that it all be expended within their own borders. But I do say that it makes a fair case at least for suggesting that if that extra $141,000,000 odd has been spent for the purpose of developing the natural resources of the rest of Canada and the transportation of those resources to market, the maritime provinces might fairly ask that in some other way they be compensated, and that some additional assistance be given to them in the development of their natural resources. That is fair, I think.

Mr. ADSHEAD: Is the hon. gentleman basing his argument for decreased freight rates for the maritime provinces on the suggestion which was made by the Postmaster General this afternoon that there was some promise made at confederation which has not been carried out?

Mr. RALSTON: I am dealing with the argument of the hon. member who last spoke who was pointing out the difference between the treatment of the east and the west, and I am endeavouring to show that the expenditures which have been made in connection with transportation facilities have paid no regard to the amount which the maritime provinces have contributed.

Mr. KAISER: You are taking the population as of what date?

Mr. RALSTON: In 1921.

Mr. COOTE: Has the hon. member any figures to show the amount expended since confederation on steamship subventions and on harbours and rivers in the maritime provinces as compared with the western provinces?

Mr. RALSTON: I thought I had those figures under my hand; I have them somewhere, but I can assure my hon. friend that the fraction they make of the expenditure in the rest of Canada is very small. That will not help my hon. friend very much if he has the idea there is any large disproportion in the expenditures on public works in the maritime provinces as compared with the rest of Canada. May I just say here, for the benefit of my hon. friend, who has no wharves in his constituency, that public works, wharves, breakwaters and things like that do not run into money like the construction of railways or canals. You can build a good many breakwaters and wharves for the price of one railway terminal.

Just one other figure with regard to comparisons between the east and the west. I have here the ton-mile earnings. Ton-mile earnings mean the amount which is paid by the shipper for carrying one ton of freight one mile. The ton-mile earnings on the railways in 1925 in the Atlantic region of the Canadian National railway were 1.130, while the ton-mile earnings on the western region were .764; in other words, it cost the people of the maritime provinces, or of the Atlantic region, 33⅓ per cent more than those of the west to carry a ton of freight one mile. Those figures are for the year 1925.

Mr. COOTE: I suppose the hon. member would admit that the earnings per ton mile depend largely on the number of miles the railways carry those tons.

Mr. RALSTON: Not at all; that is just where my hon. friend is wrong. The per ton-mile earning just represents one ton carried for one mile, and the only thing which can throw out the calculation is if you get some high class freight which yields a very high revenue per ton per mile. No, the per ton-mile is the best and soundest way by which to decide how a country is taxed for its freight.

One other thing. We have heard a good deal about the Crowsnest rates, and my hon. friend from Rosetown (Mr. Evans) had something to say with regard to those rates and certain evidence which had been given. He is right and he is wrong. He read some evidence given, I think, by a statistician of the Canadian National railways to the effect

that under the Crowsnest rates the railways had paid. I want to point out to him that apparently it is not because of the Crowsnest rates that the railways have paid, I have been referred to the evidence given by Mr. Watson of the Canadian National railway on March 24, 1926, page 6269, before the railway commission in the freight rates investigation where this evidence appears:

The Chief Commissioner: Do I understand you to say that $6,000,000 a year was the loss in the grain movement?

Mr. Watson: Yes, west of the lakes.

The Deputy Chief Commissioner: And east of the lakes you are not aware?

Mr. Watson: No.

Apparently—and this is not by way of recrimination at all, but according to that evidence the grain rates taken alone did not at that time pay the cost of the service performed.

Some hon. MEMBERS: No, no.

Mr. RALSTON: All right. I am simply quoting the evidence. Anyone may question it. I, of course, have no knowledge of the matter, so I am giving the page and line so that hon. members may comment as they see fit. So much for the west. I have referred to these matters only in order to show that equitable consideration is to be given in connection with railway matters all over this country.

I do not propose to go into the inception of the Intercolonial. It has been dealt with at length. It has been said that military and strategic considerations had influenced the location of the road, but I come immediately to the finding in the report of the Duncan commission, on page 21, which it seems to me clinches the matter. I am going in a moment to deal with the argument that the decision of the commission was ex parte. They say:

The maritimes case on railway rates was put to us in very considerable detail. The railway commission is at the present time dealing with these same details, and we have not formed any opinion on these matters so far as a judgment on their merits would involve consideration of railway administration and policy. On the broader question, however, of the incidence of the existing rates as a whole upon industry and employment in the maritimes, we have come very definitely to the conclusion that the rate structure as it has been altered since 1912 has placed upon the trade and commerce of the maritime provinces (a) a burden which, as we have read the pronouncements and obligations undertaken at confederation—

Some hon. members suggested that there were no pronouncements.

—it was never intended it should bear, and (b) a burden which is, in fact, responsible in very considerable measure for depressing abnormally

in the maritimes to-day business and enterprise which had originated and developed before 1912 on the basis and faith of the rate structure as it then stood.

With that as the starting point the commission proceed to say that in their judgment the changes which have been made in the rate structure since 1912, the increases which have taken place in the maritimes as compared with the rest of Canada, is as fair a measure as can be made of the disadvantages under which the three provinces suffered and of the special considerations which should be thought of when fixing the rate structure for those provinces.

They recommend a twenty per cent reduction in the local rates. Someone asks why. Let me deal with that for a moment. They recommend that the rates between stations on the Atlantic division shall be reduced by twenty per cent. I have already pointed out that that would only approximately put them back to the comparative position which they held before 1912, because there had been the various increases which had been made in the maritime rate structure, without corresponding increases in the rest of Canada. But there are reasons why the local rates in the maritime provinces should have been on a different basis, and might have been in the first place put and maintained on a different basis from the local rates in the rest of Canada. In the first place, the principle of rate-making is that the railways may charge "what the traffic will bear." That is the time honoured formula—not "all the traffic will bear," but "what it will bear." One factor is the value of the commodity. You naturally charge a higher rate on diamonds than on coal, and more per mile for a short haul where there is dense traffic than for a long haul where you have little traffic. These are all factors to be taken into consideration. Taking that as a basis the situation in the maritime provinces was that industries were from time to time established for the benefit of the people of those provinces and for the manufacture of goods for domestic consumption. Rates were made on such a scale that the products of those industries would move to their customers. The position was not the same as in Ontario, where a man could manufacture goods and could almost throw them over his back fence into his customer's yard, but in the maritimes they had to move them a great many miles; therefore the unit rate had to be lower the further the goods had to travel. Another feature about the maritime traffic was that these goods were not carried in carload lots as they were in Upper Canada. Goods in the maritime provinces had to be moved as way freight

and consequently the class rate had to be lower than in Upper Canada where the same goods got the benefit of a low car load rate. Distributing centres gradually formed at Moncton, Sackville, Amherst, and other places. In all these places where wholesale houses were established, rates were fixed so that they could reach the local market and compete with the man from Ontario, who had the advantage of the through rate although they had a longer haul. These were some of the matters which entered into the rate making on the Intercolonial when it was a separate entity from the Canadian National Railways. And lastly, they were dealing with a population only one-fifth the density of Upper Canada; therefore if a man was to serve his customers and get his goods to market he had to have a lower rate, because he had less goods to handle, his average haul was longer, and he was unable to do business on the larger scale. And so because of these factors the local rates in 1912 were considerably lower than the rates in other parts of Canada.

Now in reference to the deficit, which has been so much talked about; notwithstanding the fact that the maritime provinces had 250 miles of non-commercial road, notwithstanding that they had as I say only one-fifth the density of population of the other provinces of Canada, that they had not the possibilities of trading enjoyed by other provinces, and the railroad had not the same traffic, the rates were such and the transportation tax imposed on the maritime provinces was such that in thirty-seven years there was only seven million dollars of a deficit on the Intercolonial. What would have happened if the 250 miles of railway had been cut out, and if we had been able to save our operating expenses on the 250 miles of road which was non-commercial? Take the lowest rate of operating expenses on any road in Canada and you will find that in ten years the maritime provinces would have saved, if that 250 miles of road were eliminated, some $14,000,000, which means that the deficit would have been wiped out and the maritime provinces would have shown a surplus. Hon. members must remember this fact—which was presented to the commission—that there are many other conditions in the maritimes which make it very expensive to operate the railroad, the climatic conditions, expensive terminals, car ferries—the effect of all these is included in the deficit.

Mr. COOTE: Would the hon. minister not admit that the maritime provinces have a more dense population than the western provinces?

Mr. RALSTON: I cannot tell my hon. friend about that.

Mr. COOTE: Alberta has about the same population as Nova Scotia, and the minister knows the difference in the sizes of the provinces.

Mr. RALSTON: I am only stating—and I say it without offence—what occurred before Alberta was heard of as a province. The condition I have outlined is what prevailed in the maritime provinces when Alberta entered confederation.

One of my hon. friends said something about the fact that the west was not bound by the undertakings which were made at the time of confederation. Alberta came into confederation after the promises had been made, and not only after the promises had been made but after conditions had become crystallized, and when as I say traffic conditions had developed as they were before 1912. That is the situation with regard to local rates. And so when the people of the maritime provinces discovered that the Intercolonial was being put in as part of the great National system and that all the rates were to be made uniform, they realized that difficulties would arise and that manufacturing and distributing centres which had flourished under the old conditions were likely to be adversely affected. As we all know, the situation did become worse. I am not one of those, Mr. Speaker, who contend that the only difficulty down in the maritime provinces is freight rates. I said that very frankly before the Board of Railway Commissioners a year ago, and I repeat it now; but I do feel that a return to the freight rate conditions which relatively speaking existed before 1912, will be of advantage to every producer and consumer in the maritime provinces. I am of course particularly interested in the fishing business of my constituency and while lower freight rates will be a benefit, the future of that great industry lies largely in the opening of wider markets, particularly in the United States. I cannot stress too strongly my personal opinion of the importance of continued and earnest activity with that object in view.

I am reminded that besides local rates there is another recommendation contained in this report and sought to be carried out by the bill. That recommendation is for a reduction of 20 per cent on the maritime or the Atlantic region proportion of the through rate. This simply means that the maritime manufacturer ought to be able to get his goods to Upper Canada on at least the same rate basis as if he distributed them locally. Montreal is the

first great competitive market for maritime goods. There the maritime manufacturer meets his competitor from Toronto, and he wants to have somewhere near an even chance. I grant there is a longer haul from the maritime provinces to Montreal than from Toronto, but let me say that geography has been wiped out too many times in connection with freight rates for us to worry about it to-day.

Mr. GUTHRIE: Hear, hear.

Mr. RALSTON: You will find in Ontario zones of two or three hundred miles where the rate is identical from any point within that zone to points outside. My hon. friend from Macleod (Mr. Coote) to-night quoted a rate from a point in Ontario to a point in the west. I have not the rates before me, but I will undertake to say that if he looks at the tariff he will find that the rate applies not only to the particular point he mentioned but to a hundred miles on each side of that point. Geography is wiped out entirely by the flat rate or zone system, and it is recognized everywhere. Further, as the Minister of Railways says, my hon. friend was comparing export rates with domestic zone rates, and as everybody knows, the two have nothing whatever in common; they are fixed on an entirely different basis. It stands to reason that the maritime manufacturer should at least have the benefit of the opportunity of marketing his goods in Upper Canada if we in Canada are to develop domestic trade at all. I understand that hon. gentlemen opposite, or at least some of them, advocate that that is the only and ultimate market for the maritime manufacturer. I am bound to say that I do not subscribe to that doctrine. But the way he can get a chance to place his goods there is by having his freight rates reduced.

Mr. WOODSWORTH: At that point would the hon. minister explain a little more clearly why there should be a reduction in the purely local rates? I cannot quite see his reason.

Mr. RALSTON: I do not want to be discourteous in the slightest, because I know my hon. friend is seeking for information, but I have already gone over the ground pretty thoroughly and the explanation is somewhat long. He will understand that the object of this bill is to get back by an arbitrary figure of 20 per cent reduction to the basis of 1912 when local rates were lower; or to put it another way, to wipe out the disproportionate increases which have been made in maritime rates since 1912. His question is really why were the maritime rates lower before 1912? I will try and restate what I have said, and will put the last reason first. First, because of the sparse population; second, because of the long establishment of industrial centres in the maritimes, local rates from which were made sufficiently low to enable manufactured products to move to the manufacturer's customers; third, because of the establishment of distributing centres at certain points in the maritimes and the fixing of distributing rates to move the goods, and, fourth, because of the small volume of goods moved, the less than carload rates had to be made considerably lower than in Ontario and other parts of Canada where goods generally speaking moved at the low carload rate.

Mr. WOODSWORTH: Would it be true, as stated on the floor to-day, that the greater the volume of local traffic the greater the bill that will have to be paid by the government?

Mr. RALSTON: No. You have to have an engine and train crew with only twenty cars, and if your volume of traffic requires a forty-car train you necessarily reduce the ton-mile cost. I think everyone will acknowledge that the minute you begin to divide your overhead by a greater volume of business down goes your cost.

Mr. BROWN: Is not that the explanation of the low ton-mile cost on the western prairies?

Mr. RALSTON: Possibly.

Mr. SPENCER: What the hon. minister says is quite true as far as the cost to the railway goes; but as far as the Dominion exchequer is concerned, the more freight that is moved, the freight rates being the same, it will have to pay one-fifth of the bill.

Mr. DUNNING: My hon. friend has not studied the bill.

Mr. RALSTON: If he studies the bill he will find that the Dominion treasury pays the deficit, not one-fifth of the cost. That was the objection suggested to the method proposed by the commission. It is overcome in this bill by the provision that the federal treasury shall pay only the deficit. I do hope that within five years the record which my hon. friend says is true of the Crowsnest rates may prove to be true also of the maritime rates, and that because of the lower rates we may have a surplus. The peculiar thing was that after the rates were raised in the maritimes in 1918 and 1919 on the amalgamation of the Intercolonial with the larger system the deficits began to increase, and instead of one or two million dollars they were from five to six million dollars a year although the rates were higher.

The lower westbound rate permits the maritime manufacturer to deal with his customers in upper Canada and to compete with Ontario and Quebec firms. I wish to put on record what I think is of some significance in our national development. I confess it was a surprise to me when it took place at the meeting of the Board of Railway Commissioners in Moncton. Quite unsolicited, a resolution was presented from the Board of Trade of Toronto formally and distinctly recognizing that the maritime provinces were entitled to a market in Quebec and upper Canada. The last paragraph is, I think, worthy of going on Hansard. It was read by Mr. Thomas Marshall, traffic manager of the Toronto Board of Trade, and is as follows:

The Toronto Board of Trade is desirous that our friends of the maritime provinces obtain some measure of relief which will assist them in marketing their products in the central provinces, and to that end would favour extending to them a reasonable westbound freight rate differential, and feel that in so far as the membership of this board of trade is concerned it would not object to such an adjustment in class rates as would be found necessary to recoup the carriers for loss in revenue ensuing from such a reduction in the westbound rates.

It pretty nearly marks an epoch in the history of the Dominion when a board of trade in central Canada says, in effect, if the railways are going to lose by making a rate which permits the maritime shipper to send his goods to the markets of Ontario and Quebec, we are willing that there shall be such an adjustment as will recoup the carriers for that loss. I thought it showed a very fine spirit. Somebody will ask, why are not eastbound rates reduced also? For a very good reason, well known, they tell me, in freight rate making. The man on the circumference who has to trade towards the centre is entitled to a little better rate than the man who, situated in the centre, can trade towards both sides of the circle. Therefore, while the Halifax or St. John shipper gets a certain rate to Montreal or Toronto, the Toronto man will not, under the recommendations of the Duncan report, receive equal consideration coming east. The rate which will take goods from Halifax to Toronto will probably bring goods from Toronto only as far as Truro; or, putting it the other way, the rate for goods from Toronto to Halifax will probably carry goods from Halifax to a point 100 miles west of Toronto. As I say, the man on the seaboard can trade only in one direction and he is therefore entitled to an advantage. Some people have been shocked by this, but I may assure the House that this provision was recognized in the freight rates as they existed up to 1912. For example, the rate from Montreal to Halifax was 56 cents, whereas from Halifax to Montreal it was only 50 cents. In May 1912, however, the whole thing was ironed out, and a 56 cent rate was inaugurated both ways. Before 1912 from Montreal to Sydney the rate was 64 cents as against a rate from Sydney to Montreal of 55 cents. The same thing appertains in the United States. The rate from Chicago to Boston is $1.49 per 100 first class, whereas from Boston to Chicago it is only $1.42; from St. Louis to Boston it is $1.73, and from Boston to St. Louis, $1.66. The difference was specially accentuated on what we know as the differential all-rail route, which is a route in the United States from Boston to Chicago participated in to a large extent by Canadian lines, and the differential there is as great as on the standard all-rail route. The through rate from Chicago to Boston is $1.49 whereas from Boston to Chicago it is $1.42 the reason for the lower rate in one direction being as I have stated.

I will not at this stage deal at any length with the question of international rates, but in committee I shall if necessary have a word or two to say with regard to the international and import rates which are excluded from the provisions of this bill. I do not want to delay the House further with any citation of rates. I merely want to emphasize what I stated a few moments ago with reference to my appreciation of the provisions of this bill and the manner in which the Duncan report has been received. The bill will, I think, be found to be a practical implementing of the Duncan report, as to local and through Canadian rates. But it is something more than that. There are in the maritime provinces certain roads which are not under the control of the Canadian National Railways; I might mention the Dominion Atlantic railway, owned by the Canadian Pacific Railway Company, the Canadian Pacific from St. John to Montreal, the Sydney and Louisburg, the Cumberland Railway and Coal Company's road from Springhill to Parrsboro, and some others. These are not dealt with directly by the Duncan report, but the commission suggests that if, as the result of a reduction of rates on the Canadian National Railways, the "other great railway system" meaning of course the Canadian Pacific Railway, finds itself prejudiced, then "equitable consideration" should be given it. This means that if, in the case of the Dominion Atlantic Railway for example, the conditions were such that it was competing with the Canadian National Railways on some certain traffic and had to bring its rates down to

the new reduced rate of the Canadian National in order to hold the business, then the government should make some provision to help out. But there is no suggestion anywhere in the report that if the Dominion Atlantic is not forced by competition to reduce its rates, the government shall come to the assistance of those making use of the railway. In other words the report only applies in terms to traffic on the Canadian National Railways or on such portions of the Canadian Pacific as are in direct competition and therefore have to reduce their rates. Section 9 of the bill provides however that all railways in the maritime provinces, whether competitive or otherwise, who reduce their rates below the normal in accordance with the spirit of the act, shall be reimbursed. It seems to me that this is carrying out in a broad spirit and not in the spirit of the half loaf, as suggested by one hon. gentleman opposite this afternoon, the recommendations submitted in the Duncan report. It meets the practical situation more than half-way, for it shows a determination to do full justice by the people of the maritime provinces and is an evidence that the government, having put its hand to the plough, will not turn back and that the shipper on a line other than the Canadian National has not been forgotten. By the way it has been said that the Dominion was not represented on the hearings before the commission. That is true, but the railways and their experts and their counsel were there, and it must be remembered also that the very constitution of the tribunal was such as to justify confidence in the thoroughness of its investigation and to ensure that all statements made and contentions put forward were duly tested and weighed.

I am not standing here as a special pleader for the maritime provinces. While it is true I come from Nova Scotia, I fully realize my responsibilities as a member of the government of Canada. Let me remind the House that confederation was, in the broad sense of the term, a partnership entered into by four provinces. Five more have come in and there is no use in our trying to get along if some of the provinces are unhappy and discontented. I believe that a reasonable effort has been made to bring contentment where there has been dissatisfaction. We in the maritime provinces have had no quarrel with the rest of Canada in anything that this Dominion has done to benefit other sections of the country. When other provinces have received what they felt to be their due, in order that their prosperity as members of Canadian confederation might be assured, we have always ungrudgingly supported their claims. When the province of Quebec added to her domain what was virtually an empire, when her railways were subsidized, her canals deepened, and Montreal was made an ocean port; when Ontario had her area trebled and her canals built; when Manitoba was doubled in area and means were afforded whereby the products of that province could be marketed at a cost 25 per cent lower than could the products of the country immediately to the south; when Alberta and Saskatchewan, in view of special circumstances, received substantial annual subsidies to facilitate their entry into the Dominion in at least comparative affluence; when, in the interests of British Columbia the construction of three transcontinental railways was authorized and that province had extended to her certain special treatment in relation to her railways; when all these benefits were received by the other provinces of Canada the people of the maritimes gladly acknowledged the right of their fellow citizens to generous treatment. It is in the same spirit of justice that the maritime provinces appeal to the House to-day to recognize the claims now made and to support the legislation now being brought down implementing the recommendations of the Duncan commission. My hon. friends in the far corner opposite suggest that railway rates are not the only thing. I agree and they seem to have overlooked that the program announced by the Prime Minister (Mr. Mackenzie King) on March 25 included a great deal more than freight rates.

I want to impress upon the House that this report and this legislation mean much more to the people of the maritime provinces than is involved in a mere mathematical calculation, or in the printed words of a statute. I believe it will be and in fact it has already been received by the people of my native province as an earnest and genuine evidence of the practical good-will which those in other parts of the Dominion bear toward them. And so the people of these provinces will I believe realize that their fellow citizens throughout the country have sympathy with them—and in using that word sympathy, I mean it in its root sense as "thinking along with" them—and when you get different races, different provinces or different localities thinking along with one another there cannot be much doubt of their ultimate understanding and of the agreement and unity which is bound to follow. We have industry and energy and intelligence down there by the sea. Our people have become a bit discouraged, sometimes irritable, and, most disturbing of all, have felt a sense of injustice. I am prepared to believe, how-

ever, as I want the House to believe, that this legislation brings to them a new outlook, a new conception of Canadian unity, a new determination to ply their individual trades and vocations with vigour and industry and thrift, and a renewed eagerness to help make this Dominion, as a whole and without distinction as to provincial boundaries, a better place in which to live and a model of contentment and progress for the democracies of the world.

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, I am sure the whole House enjoyed the very able exposition of conditions in the maritime provinces which has just fallen from the lips of the Minister of National Defence (Mr. Ralston). It must be remembered, however, that the bill with which we have been dealing this afternoon is a concrete proposal. The debate on the second reading of this bill has assumed rather wide proportions, and has involved a discussion of practically the whole maritime situation and a very general discussion of the Duncan report itself. In the few remarks which I propose to offer this evening I will try to confine myself to the bill now before us, which is entitled, "An act respecting the Canadian National railways and the tariffs of tolls to be charged on certain eastern lines." Lest silence on the part of those sitting to your left, Mr. Speaker, should be construed as dissent from the proposal, I desire to offer a few remarks.

We on this side of the House desire in every way to facilitate the passage of these proposals arising out of the Duncan report, and desire likewise to expedite the passage of the various measures. The report has been before parliament and the country for several months now, and we assume that we have all read it, considered it and digested it. Personally I can say I have considered it very fully; I have discussed it with many men qualified to speak upon the subject and have also discussed it from an academic point of view in one of our institutions of learning. Therefore I have no hesitation in saying, Mr. Speaker, that as far as it goes the Duncan report is acceptable to those who constitute the official opposition in this chamber.

It is not my intention to go over the whole question to-night; I think it is unnecessary, and I will content myself with this remark; This is the second reading of a bill, but throughout the whole afternoon and evening it has resembled very much the discussion of a bill in committee. I have no objection to that if we do not have to go through the same discussion when the bill gets into committee, but I do think it has gone pretty far for a discussion on the second reading of a bill such as this. I am satisfied from a careful study of this bill that it carries out the main features of the Duncan report in regard to freight rates, and as such it should be adopted by this House. I do not consider and have never considered the maritime provinces in the position of communities basing their claims upon charitable grounds; I have always considered the claims advanced by these provinces to be founded upon principles of equity and justice, and the more I have studied them the less reason I find to dissent from any of the views expressed by Sir Andrew Rae Duncan and his colleagues in this report. If I could offer a criticism it would be that the report does not perhaps go far enough in the way of remedial arrangements for the maritime provinces. I agree with the argument of the Minister of National Defence; I could enlarge upon it very much, perhaps, but I am satisfied that the House is now fully seized of the whole situation, and under the circumstances I believe it is our duty to pass these bills as expeditiously as possible.

Some hon. MEMBERS: Question.

Mr. M. N. CAMPBELL (Mackenzie): Mr. Speaker. I may say that I have no intention of being intimidated by those cries of "question"; I intend to say what I have to say and if there are any interruptions it will mean that I will occupy the time of the House so much longer.

At the outset may I say that I wish to make a few observations on this bill, and in doing so I find myself in the somewhat unhappy position of differing with the rest of my colleagues in this part of the House, differing not on principle but on practice, not on fundamentals so much as on incidentals. I feel, Sir, that in the consideration of maritime problems I must defer, and I think we from the west must defer, to a considerable extent at least to those gentlemen from that section of the country who should understand better than we from the far west can understand what their particular section of the country requires. In the last few years we have had under consideration many western problems, and in the consideration of those problems the members from the maritime provinces, from Ontario, Quebec and British Columbia were obliged of necessity to defer to us, who understood those problems and who should know the best remedies. Nevertheless, Sir, it is fitting and proper that I should give my own opinions of the problems of the maritime provinces, and in

so doing I do not wish to express myself dogmatically at all; I am not inferring that they are really the problems of the maritimes, because I am prepared to leave that largely to the members from that section of the country. I wish to give to the House, however, what I feel to be some of the problems of the maritimes which have not been dealt with in this report.

May I say, first, that as I understand it the lack of markets is perhaps one of the fundamental problems facing the maritime provinces to-day, and in a measure at least that may be due to the protective system under which this country has been run for many years. Perhaps I may be pardoned if I have a little more sympathy for that part of the country than some of my friends who have never lived there, because half of my life was spent in the provinces by the sea. I well recall in my boyhood days hearing many bitter acrimonious debates on the question of the protective system, and I recall that in Prince Edward Island at any rate in the early days the great majority of the people were of the opinion that they had lost something by entering confederation, that by coming under the Canadian protective tariff they had lost the markets of the United States which they considered they could have held if they had remained out of confederation. I am not going to state whether or not that is so; I am simply going to give the House the impressions I received in my boyhood days when I heard these questions discussed in that part of the country.

I remember the feeling in the maritimes in 1896, when the Liberal party came into power after being out of office for many years; the great mass of the people thought the promises of Sir Wilfrid Laurier and Sir Richard Cartwright would be put into effect immediately, and a good many people thought that on the day after the election the grass would grow greener than it had been the day before, that the wheels of industry would start to hum in the maritimes and that the thousands of their young men and young women who had sought jobs and made homes in the United States would in time come back to the maritimes. But, Sir, they were disappointed. I am not going to enter into the history of that time, but the fact was that the new government simply carried on the policies of the old. They usurped the Conservative policy and no change whatever in tariff policy followed the change in government. It is possible that the maritimes sacrificed something in coming into confederation. It is possible that if they were outside of confederation to-day, they might negotiate with the United States a reciprocity treaty which would be of some advantage to them and, by admitting United States manufactured goods in free or at reduced rates of duty, they might be able to secure a favourable position for trade in that part of the country. I am not prepared to take a dogmatic stand on that. That may or may not be so. But I feel that those provinces sacrificed something in this regard when they entered confederation, and because they sacrificed something, it behooves the Canadian parliament to reimburse them, in a measure at least, for what they have lost.

I agree with the hon. member for Acadia (Mr. Gardiner) that, in so far as I have studied the question, the troubles of the maritimes are due in some degree to the centralization of banking power, the centralization of the control of our banks. Some hon. gentlemen from the maritimes in this chamber to-night seemed to question the opinion of the hon. member for Acadia when he made a similar statement on the floor of this House. But I have in my hand a pamphlet written by the Hon. F. B. McCurdy, who is not unknown to many of my hon. friends, and he places this as one of the principal problems of the maritime provinces.

Mr. ERNST: Is the hon. member aware that the Hon. F. B. McCurdy is to-day an avowed secessionist?

Mr. CAMPBELL: The only difference between the Hon. F. B. McCurdy and many others is that he is quite honest and frank in stating his opinions. From the time I was five years of age in the maritime provinces to the time when I left there twenty-five years ago, I have heard secession talked in season and out of season, and every time I go down there I hear the same thing. I do not blame those people for talking secession, and I think, as a result of insistent propaganda on their part, they are getting some relief to-day. I am endeavouring to look at this from the standpoint of the maritime provinces.

Let me come back again to this pamphlet issued by the Hon. F. B. McCurdy. He points out that in the early days when the provinces of Nova Scotia, New Brunswick and Prince Edward Island controlled their own banks, those banks were housed in very modest structures. He paints a beautiful picture of the palatial edifices in which these banking magnates are housed to-day, and he shows how all this expense is shouldered on those who use the banks. He goes back and speaks particularly of the Halifax Banking Company.

Mr. DUNNING: I rise to a point of order. When the Speaker was in the chair a little while ago, he ruled that the discussion in future on this bill should be along the lines of freight rates, the subject matter of the bill before the House. If I have followed my hon. friend's remarks correctly, we have come back to a discussion on banking. I merely suggest that the ruling which was made while the Speaker was in the chair should be adhered to by all speakers so that we may expedite business.

Mr. CAMPBELL: I am basing my remarks on the preamble of the bill which deals with the Duncan report and I submit that the whole question of maritime problems can be considered on the preamble which I am discussing. In deference, however, to the request of the minister to facilitate the passage of the bill, I will take as little time as possible, but I want to point this out because I believe it is one of the problems of the maritimes as well as one of our western problems. The Hon. Mr. McCurdy, referring to the Halifax Banking Company, made this statement:

> Probably the total annual cost of the president, board of directors, and the inspection staff of the Halifax Banking Company did not exceed $8,000 or $9,000.
>
> The total amount of its investment in bank premises was $1,800; in safes and office furniture for its head office—

Mr. DEPUTY SPEAKER: Order. According to a ruling given earlier this evening, I must ask the hon. member to confine his remarks more closely to the bill before the House dealing with the freight rates.

Mr. CAMPBELL: I bow to your ruling. I submit however that the preamble should give me the right to discuss anything dealt with by the Duncan report. In conclusion on this point I will read the closing sentence in this pamphlet. He says:

> Centralization and autocratic control are rampant in this country, as well as the States, and it is not improbable that the next revolt in that great country will be against the system that is rapidly reducing the human being to the position of an inarticulate cog in a huge machine that operates for profit alone.

I wish to deal briefly with the reference made by the Minister of National Defence (Mr. Ralston) to the Crowsnest pass rates, and in this at least, I assume that I am in order because I am discussing the question of freight rates. The minister stated that those rates were not profitable to the railways. I think he quoted Mr. Watson of the Canadian National Railways as stating that in 1926 the haulage of grain in western Canada meant a loss of $6,000,000 to the Canadian National Railways. I will give my hon. friend in that regard a few figures which will perhaps convince him and which, I think, should convince any reasonably minded member that the Crowsnest pass rates to-day are profitable to both of the great railway systems.

First, I might refer to the freight rate investigation in 1922 before a committee of this House. Before that committee we find Mr. Beatty, president of the Canadian Pacific railway, predicting that if the Crowsnest pass rates came into effect in the next year, the Canadian Pacific railway would fall short by $15,000,000 of paying its fixed charges and dividends. That is a remarkable statement. Yet what do we find? In addition to paying fixed charges and dividends we find that the Canadian Pacific had a larger surplus than they had the previous year. That was after the Crowsnest pass rates had been in operation for one year, so we see how much the predictions of these officials are to be relied upon when the question is one of dollars and cents to them and when they are trying to influence a committee of this House.

I am not going to weary the House with lengthy quotations, but we find Mr. Hanna, president of the Canadian National Railways, making similar predictions for that road. He predicted that the deficit in 1922 would be $26,000,000 or $10,000,000 more than it was in 1921. Instead of that the deficit was considerably less than it was the previous year. I am going to give just a few figures for different months which, I think, should show clearly to any unbiased mind that the handling of grain means a considerable profit to both the railway systems. I will take the Canadian Pacific Railway for the year 1924. For the first four months of that year their net earnings were a little over $5,000,000. For the next four months, May, June, July and August, their net earnings amounted to $9,000,000. Those were the eight months in which little or no grain was being moved. When we come to the next period, September, October, November and December, the four months in which the great bulk of the traffic is grain, what do we find? We find that instead of $5,000,000 or $9,000,000, the net earnings amounted to $22,000,000 or more than for the previous eight months.

In the first four months of 1925 the net earnings amounted to $4,980,000; in the next four months they amounted to $10,000,000; but in the last four months of the year, the months in which again the great bulk of the grain was handled, we find the net earnings increased to the enormous total of $26,500,000. Surely in face of those figures

no hon. gentleman who will give intelligent consideration to the subject can say that grain is being transported at a loss. Again we find that in the year 1925 the net profit was $23,000,000, but the four grain-handling months accounted for over $20,000,000 of that $23,000,000. I have similar figures here for the Canadian National Railway. I find that in 1924 their total net revenue was $11,764,000, of which $11,197,000, or almost the whole thing, was earned in the four months in which the grain was being moved.

When we come to the operating ratio, which is really one of the decisive indications, telling us how much money the railway has to spend to earn a dollar, I find that in 1921 the operating ratio of the Canadian Pacific Railway was 82.28; that is, the railway had to spend 82.28 cents to earn one dollar. The next year, 1922, was the year in which the Crowsnest rates were fully in effect, the year in which Mr. Beatty predicted that their net earnings would fall below the amount necessary to pay fixed charges and dividends, but what do we find? Instead of increasing, we find that the operating ratio decreased to 80.55; in other words, the railway made 2 per cent more profit than the year before, and so on; the profits crawled up year after year. That should clearly prove to anyone that the Crowsnest rates mean a profit to both railway systems.

In the consideration of the particular question before the House I must admit that I cannot find room for the criticism of the government that has come from other speakers in this section of the House. I am not entirely convinced that this is the fundamental remedy. I believe that there are probably other remedies. I think there are other questions that the Duncan commission might have investigated and should have reported on. But looking at it from the strictly legal point of view and from the standpoint of precedent, which is what seems to govern everything in this House, the government appointed a commission to inquire into the grievances, alleged or real, of the maritime provinces. They appointed a commission of able, capable men. I think this House would have approved of the personnel of the commission had it been asked to do so. The commission came back and made a very definite report to the government, and for the life of me I can hardly see what else could be expected of the government than to carry out these recommendations. Therefore I find myself in the position where I cannot criticize the government for carrying out the report of their own commission. The bill we are considering was framed with that end in view, to carry out the recommendations of the commission.

When I listened to the speeches of several of my colleagues in this section of the House, I compared them with speeches I heard here in 1922 against the Crowsnest rates, when some of the members from the maritime provinces opposed, and bitterly opposed that legislation, and again in 1924 they opposed the building of the Hudson Bay railway and many other issues of interest to the west. I think, after all, we have to be a little broader. We have, as Burns would say, to try and see ourselves as others see us. We have to try and judge a thing from the other fellow's standpoint. I believe the members from the maritime provinces who opposed the construction of the Hudson Bay railway, and who very bitterly criticised the decision of parliament in 1922 to reinstate the Crowsnest rates, were just as honest and sincere in opposing those measures as my friends in this corner of the House are in opposing this. They looked at it from the standpoint of the maritime provinces. They were not as well acquainted with the problems of the west as we were. But in the last analysis parliament deferred to the wishes of the west, and I think in this matter we have at least to defer to the wishes and opinions of the people of the maritime provinces.

The question of rural credits, for instance, is not one of interest to the people of the maritime provinces. When I visit down there the people I meet always want to know why we in the west should want the parliament of Canada to give us cheap money. They say they can always go to a neighbour and borrow what they want at five per cent. They do not understand our problem, and naturally they object to parliament, for which they have a responsibility, being tied up to this thing. Another thing I always hear about when I visit down in the maritime provinces is the Crowsnest rates. The people there seem to think they have a distinct grievance on that account. Some people whom I know will always be convinced that parliament did them a great injustice in 1922, when it gave us a rate which they think is not profitable to the railway. Again, take a measure such as the amendment to the Canada Grain Act, which is of vital importance to western Canada. Our maritime friends offered no objection to those amendments, although most of them are not interested in the matter, and a good many of them may think that it is not striking at the root of our problems in the west, but they were fair and deferred to our judgment in the matter because we were dealing with our own

problems, and I am asking my hon. friends in this part of the House to grant to the people of the maritime provinces the same consideration which we have received at their hands in these other matters.

Another great burning question in western Canada to-day is the return of our natural resources, and just here I might say that it is a matter of concern to our people to see something extra new being given to the maritime provinces when we see by this report that a province like New Brunswick is securing 37½ per cent of its revenue from its forests; when we do not even control our own timber. That is a grievance of ours, but I realize that to oppose the granting of this measure of relief to the maritime provinces will not assist us in western Canada to get possession of our natural resources. I ask my hon. friends from the maritime provinces to continue to extend to us the consideration which they have in the past, and at some future time I trust that this parliament will be fair to us and give back to us our natural resources, which are of vital importance to us.

I do not wish to delay the House any longer. I have some more notes, but I think I have said sufficient. I am supporting this bill with certain mental reservations. I will frankly admit supporting it in the spirit that is emphasized on page 11 of the report of the Duncan commission, and in concluding I would just like to read those words because they furnish the guiding principle of my action here to-night.

> We believe that the claims which these provinces have submitted in connection with the present condition, and the future possibilities, of their own part of the Dominion, should now be reviewed with sympathetic consideration and understanding, so that in approaching the future a better balance of territorial prosperity can be assured, and the original hope of confederation—unity, prosperity and contentment for all the provinces, as well as for the whole of Canada—can be made capable of realization.

I think, sir, if we in this corner of the House by supporting this bill can bring about anything like that and assist in maintaining Canadian unity in this country of ours, the little sacrifice it may mean will be amply repaid.

Mr. MURRAY MacLAREN (St. John-Albert): Mr. Speaker, after such a long debate as we have had to-day, and at this hour, I do not propose for one moment to discuss the subjects raised by this bill, although I regret not having the opportunity, because many of the points that have been raised I am sure could be successfully refuted. But a measure of this character is one of such tremendous importance to many of us that I would not like this opportunity to pass without placing myself on record, and I feel that I am fully justified in saying that all the maritimers on this side of the House will coincide with my statement in these few words; that we are thoroughly behind the bill.

Hon. W. A. BLACK (Halifax): I think this matter has been pretty fully discussed and that anything further that any hon. members may say will be merely a repetition of what has already been stated. Coming from the maritime provinces as I do, I suggest that if there is to be a vote it be taken now, but if a vote is not to be taken, that we pass the bill.

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): This discussion has wandered far afield from the subject matter of the bill itself, and I do not intend to follow in the many by-paths taken by some of the hon. members.

There are two outstanding criticisms of the measure. One comes from the hon. member for York-Sunbury (Mr. Hanson) and it is very plain in its terms. He states that the bill does not go half far enough. He will accept it as a half measure, or less than that, of what is really due to the maritimes with respect to freight rates and transportation matters. I regard his view as sectional in the extreme from that point of view.

Mr. ERNST: Personal.

Mr. DUNNING: As my hon. friend from Lunenburg says, a personal rather than a party view. The other criticism comes from the members for Acadia (Mr. Gardiner), Macleod (Mr. Coote) and Rosetown (Mr. Evans), and is sectional in an entirely different way in my judgment. My mind goes back to the time when we who come from western Canada were putting up the fight for the return of the Crowsnest rates and their application to the whole of our western territory. I took some part in that fight, and I know what it means to feel as the people in the maritimes feel with respect to this matter. I know that the people of western Canada feel grateful to the parliament of the whole of Canada that the Crowsnest charter of freedom was returned to us with respect to our major product, and I want to express that gratitude to-day, because we were then, and may be again, in the position which the maritime provinces occupy to-day, that of coming to the parliament of the whole of Canada and asking for the measure of what we regarded as simple justice with respect to something which was vital to our economic welfare.

My hon. friends in the corner spoke ostensibly for the people of western Canada in criticism of this measure, treating it as if it were a measure of special privilege to the people of the maritimes instead of a measure of economic justice to them. I think it was my hon. friend from Macleod who impugned my bona fides in presenting the measure, indicating that I presented it in a half-hearted fashion, and so forth. We inserted a preamble in the bill; it is rather an unusual thing to preface a bill with a preamble, but it was the government's desire that this rather extraordinary measure—because measures of this kind are extraordinary—should be prefaced with a set of reasons as clear as we could formulate them; so the language of the Duncan report was condensed and put in the form of a preamble to the bill. I say to my hon. friend from Macleod that I come from western Canada; I expect to have to defend myself out there from the kind of attack which he and his friends will make with respect to this measure, and I will tell him now the ground of my defence. It will be found on pages 20 and 21 of the report of the royal commission. The chairman of the commission certainly cannot be accused of having behind him a history which would incline him to lean toward a particular section of Canada, but rather the attitude of mind of a judge brought from the old land, a man of wide experience and of high attainments who would look at this matter not from the point of view of one biased in favour of eastern Canada or western Canada or any part of Canada, but as one seeking to help Canada as a whole in the solution of an acute problem. He says:

> We think, however, that a balanced study of the events and pronouncements prior to confederation, and at its consummation, confirms the representations submitted to us on behalf of the maritime governments in regard to the ultimate construction of the railway.

Then I turn to paragraph (c), page 21:

> That to the extent that commercial considerations were subordinate to national, imperial and strategic considerations, the cost would be borne by the Dominion and not by the traffic that might pass over the line.

I am content to ask the people of western Canada to take a big Canadian attitude and not a little Canadian attitude on a matter of that kind. I am content, Sir, to meet my hon. friends opposite on that ground in western Canada. I think I know the broad, generous spirit of the people of the plains, and I am sure they will be content to give to the people of the maritime provinces the measure of economic justice indicated by the commission which weighed judicially all the facts of the case.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

Mr. COOTE: How late does the Prime Minister intend to sit to-night?

Some hon. MEMBERS: Finish the bill.

Mr. ERNST: Finish it.

Mr. MACKENZIE KING: We might see if it is not possible to make progress with a few of the clauses.

On section 1—Short Title.

Mr. LAVIGUEUR: I have listened with great interest to the remarks made by the leader of the opposition, by the Postmaster General, the Minister of National Defence, and last but not least by the Minister of Railways. I have observed the broad view taken by these members on the question of maritime rights, and I have noticed the wholesale way in which they accept the bill. We in the province of Quebec feel it our duty and consider it a pleasure to accept this bill. I think I may be permitted to speak for my province, especially for the district and city of Quebec. The favourable reception of this bill makes me hope, Mr. Chairman, that the reasonableness of the claims of the city of Quebec may in the near future receive similar consideration in this House, for I think we in the city of Quebec have a claim as strong as that of the maritime provinces. For many years we have been promised consideration of the railway situation in the Quebec district. We have been asking for the equitable freight rates which were promised at the time when the legislation went through parliament in 1903 for the building of the Transcontinental railway. Indeed, one of the objects of the building of that line at a cost of $180,000,000 was to bring the grain of the western prairies to the seaports of Quebec, Halifax and St. John. I was pleased to see the Postmaster General (Mr. Veniot) and his colleague the Minister of Defence (Mr. Ralston) espouse the rights of the maritime provinces, and I hope that the claims of the city of Quebec may find equally able champions. The Postmaster General stated that at the time of confederation verbal engagements had been made by Sir John A. Macdonald, George Brown and others and that the claims of the maritime provinces were based on legal and moral

obligations. Well, Mr. Chairman, the obligations of the Dominion towards the city of Quebec are based on just such legal and moral grounds. The city of Quebec subscribed $650,000 towards railway building and handed over to the Dominion a property worth over $2,000,000 without any compensation whatever, as I mentioned a few minutes ago. But outside the written contracts we had the verbal promise of Sir Robert Borden in 1913 that Quebec was to receive what was due to her.

Mr. STEVENS: Mr. Chairman, I rise to a point of order. I hesitate to interrupt my hon. friend, but I know a number of hon. members would like to discuss the claims of their various communities. It would be wholly unreasonable for us to do so, yet if one hon. gentleman presents such claims others will be tempted to follow his example. I submit that the claims of another province are scarcely in order. I know my province has a claim that I might be tempted to argue, but I do not think it should be done under this bill. As the Minister of Railways has repeatedly asked to-night, I suggest, Mr. Chairman, that we keep within the bounds of the bill.

Mr. LAVIGUEUR: Mr. Chairman, before you give your ruling let me call your attention to the title of this bill:

An act respecting the Canadian National Railways and the tariffs of tolls to be charged on certain eastern lines.

I submit that what I am discussing is relevant to the bill now before the committee.

The CHAIRMAN: I must point out to the hon. gentleman that the clause under discussion is number one, Short title. Therefore his remarks are scarcely in line with the subject before the committee.

Mr. LAVIGUEUR: Mr. Chairman, I submit to your decision.

Section 1 agreed to.

Mr. DUNNING: I move, Mr. Chairman, that the committee rise, report progress and ask leave to sit again.

Some hon. MEMBERS: Put it through.

Some hon. MEMBERS: Carried.

Mr. DUNNING: I withdraw my motion, Mr. Chairman.

The CHAIRMAN: Has the hon. minister leave to withdraw his motion?

Some hon. MEMBERS: Carried.

On section 2—Eastern lines.

Mr. HEAPS: Will the 20 per cent subsidy apply to that portion of the line which runs through the state of Maine?

Mr. DUNNING: The question arises on section 9, and can better be discussed when we reach that section.

Sections 2 and 3 agreed to.

Mr. DUNNING: You and the committee are using the reprinted bill, I presume, Mr. Chairman?

The CHAIRMAN: Yes.

On section 4—Preferred movements—Local traffic, all rail, etc.

Some hon. MEMBERS: Carried.

Mr. COOTE: Mr. Chairman, this is a very important bill, and personally I protest against certain members shouting "carried." I thank the Minister of Railways for his suggestion that the committee might rise and report progress. I realize that the committee can go on all night if they wish to put the bill through without consideration, but lately we have been too busy in the House to read these bills carefully and to consider them thoroughly clause by clause. If this bill is to be passed holus bolus to-night the various clauses will be called and declared carried, but I do not see how members can be held responsible for the provisions of such an important bill if this procedure is to be adopted. In view of what is taking place I think my protest is fully justified.

Some hon. MEMBERS: Carried.

Mr. DUNNING: With much of what my hon. friend says I am in agreement. I have not given weeks of study to the evolution of this bill without knowing something of its complex and far-reaching character, and in continuing I simply deferred to what appeared to be the general wish of the House to proceed.

Some hon. MEMBERS: Hear, hear.

Mr. DUNNING: I am entirely in the hands of the committee.

Some hon. MEMBERS: Carry on.

Mr. DUNNING: It is rather a compliment that they are willing to take so readily the clauses of such a complex bill.

Mr. SPENCER: Mr. Chairman, if we are going to carry on I would ask that you read the bill clause by clause so that we may follow it intelligently.

Mr. SINCLAIR (Queens): On this section I would ask the minister to make the explanation which he mentioned in his speech on the second reading in regard to why international rates are excepted from the preferred movement.

Mr. VENIOT: It comes under clause 5.

Mr. SINCLAIR (Queens): The explanation should be given on section 4.

Mr. DUNNING: We went very thoroughly into the question of international rates, and I may say, especially for the benefit of my hon. friend (Mr. Hanson), that having agreed to the major principle of the Duncan report with respect to the 20 per cent reduction, the difficulty was not the financial load involved in the extra amount which would have accrued had it been possible to include the maritime province proportion of the international rates. I may tell him that the total freight receipts from the international outbound traffic—that is, the Atlantic division proportion of the Canadian National returns—was only $1,300,000 out of a total of $10,800,000 last year from the whole of the movements contemplated by the Duncan report.

Mr. HANSON: Has the minister the figures for the Canadian Pacific movements?

Mr. DUNNING: I have not the figures for the Canadian Pacific Railway for the same movement, but they are negligible compared to the other movements to which I have referred. The problem in connection with international rates is simply this: international through rates are not controlled by the Board of Railway Commissioners for Canada nor are they subject to the Interstate Commerce Commission of the United States. The railways concerned, both American and Canadian lines, agree upon a through rate and submit it to these respective national bodies which control rates in the two countries, but in reality the matter is one of agreement. I am sure my hon. friend appreciates the business shrewdness of the Americans. Let me ask him, therefore, whether he really thinks that the American roads would agree to a reduction on through rates, let us say, from Bathurst to Boston without arranging for an equivalent reduction on goods coming from Boston to Bathurst. The American people are not so slow as that. I can assure the hon. gentleman positively that we could not make an arrangement which would enable the 20 per cent advantage to be passed on to the Canadian shippers, and I say that after having thoroughly investigated the matter and made the fullest inquiries as to means whereby this could be done, presuming we included international rates within the scope of the bill.

Mr. HANSON: Can the minister tell us what the proportional movement would be over each, and if any attempt was made to get a reciprocal arrangement?

Mr. DUNNING: Yes, the matter has been discussed, and while of course no formal presentation was submitted either to the Interstate Commerce Commission or to the Board of Railway Commisioners, tentative approaches were made. I might point out, in order to illustrate the complexity of the arrangement such as would apply in connection with international rates, that at the present time there are four routes over which lumber may be moved from New Brunswick to the United States, and the same rate applies over all four. Although the proportion of that rate applicable to the Canadian railways is different in each case, the aggregate is the same. If we applied the provisions of the Duncan report to the Atlantic division proportion of these international roads, we should have four different rates on lumber from New Brunswick to Boston; and these four different rates would apply in some cases from the same town to the city of Boston, depending upon the particular route which the lumber took in course of transit. Let me point out still further, as proof of our inability to make an arrangement, that there was in existence in the summer of 1925—my hon. friend will remember this if he is familiar with the lumber business, as I gather he is—a temporary reduction of rates on lumber from points in northern Maine served by the Bangor and Aroostook Railway, and the Canadian National Railways were successful in having this reduced basis extended into New Brunswick. This meant a reduction of four cents per 100 in the existing rate. The reduction when first made was to expire at the end of 1925, but before that date negotiations were conducted with the United States lines looking to a continuance permanently of the reduced rate basis. Our railways wanted the reduction continued. The United States lines however, flatly refused to continue the reduced rates, although they agreed to one month's extension into 1926. The reasons advanced by the United States lines for their refusal to continue the reduced rates are set out clearly in a report submitted by the general freight traffic manager to his vice-president. Perhaps it would clear the situation if I read from the report:

Mr. Fort of the Boston and Maine and Mr. Eaton of the Maine Central presented their

situation, which, in substance, was that if these rates were continued they would be compelled to reduce their local rates throughout New England. It was not altogether a matter of competition with Pacific coast lumber travelling via the Panama canal, but in their own lumber fields in Maine, New Hampshire. etc., where they were being importuned to reduce their rates because of the reductions made in northern Maine and the New Brunswick district.

Mr. Fort's contention was that the Lumber Association of New Hampshire and some of the interests in the state of Maine on the Maine Central had brought forward such pressure that if they continued to participate in these reduced rates they would have to reduce their local rates and that would reflect itself in demands for reductions in their rates on water borne traffic, whether from the Pacific coast or elsewhere.

Then follow instances cited by the American railways in which, under the reduced schedule, through rates were actually lower than local rates from American lumber centres to the city of Boston.

Mr. HANSON: Is not that true in Canada also?

Mr. DUNNING: My hon. friend is missing the point. The Duncan commission's recommendation is that the 20 per cent reduction shall not be applied to inbound freight, and that would mean increasing the discrimination against the Americans. Now we know from experience in dealing with the people to the south of us, as well as from consultations that have been held in regard to the matter, that we could not pass the advantage to the maritime producers even if we did make provision therefor in this legislation. We could of course incorporate it in the bill, but as a matter of fact the American railways would get the advantage, for the simple reason that they would put up their share of the rate to a point which would ensure that their shippers should not be discriminated against. That is my judgment after careful consideration, and I can assure the committee that the government is dealing with the matter in no parsimonious spirit. It was not a question of the increased amount that would be involved, which would be only between $250,000 and $300,000 additional.

Mr. HANSON: I am willing to accept the minister's explanation although I must say that it is with great regret that we find ourselves in the position indicated. My information is that the movement was very much larger than the minister's figures would lead us to believe, and that a real advantage would be gained by the shippers of New Brunswick if they could get this 20 per cent reduction on that movement. My information further is that the amount of traffic moving backward would be negligible as compared with the westward or southwestward movement, but of course if nothing can be done nothing more need be said. I did not make the suggestion in an acrimonious spirit, but our people have been looking for this reduction and will be disappointed if they do not get it. If it cannot be done that is all there is to it.

Mr. SINCLAIR: It was not in a spirit of criticism that I asked the minister to make the explanation, because that is one of the things recommended by the Duncan commission which the government have not been able to implement. I think sufficient reason has been given by the minister as to why the recommendation in that regard could not be carried out. There is another point, Mr. Chairman, on which I think it wise to have information and that is found in subsection (c), of section 5, which has to do with imports into Canada. I think that is also an exception to the recommendations of the commission, and it would be in the interests of the country generally to have on record the reason why that was excepted.

Mr. DUNNING: I am glad to be able to give the reason. On that point the government is of opinion the Duncan commission did not give due weight to all the factors involved in the proposal that the area of Canada which lies nearest to the sea should have in addition to the ordinary low import rates, which are lower in any case than local rates, a 20 per cent cut from that special schedule of import rates for the benefit of people who, in the nature of things, now pay a lower import rate than any other people in the Dominion of Canada. Of course there immediately arose the consideration of whether the usual principle should be adopted, that is, that a reduction should apply not to those who had the advantage of being nearby but rather to those who had to pay a higher rate on account of being a long distance from the port. We could not work out any scheme whereby that advantage could be given to importers further west than the maritime provinces without upsetting the whole schedule of import rates in Canada, therefore we thought it better not to apply it in the maritime provinces. May I say also, with regard to the figures—I think I am correct but I will check it up—that from memory the total amount involved in freight receipts in this connection on the Canadian National Railway last year was $117,000. That is not the 20 per cent, but the 100 per cent, of freight receipts in 1926 under the special import tariffs for which no provision is made.

Mr. GARDINER: I would ask the minister if he can now give us the information he promised this afternoon with regard to the total amount involved. When we were speaking on the second reading the minister said that when the House got into committee he would be glad to give us that information.

Mr. DUNNING: My estimate with regard to the Canadian National railways, based upon the 1926 business, is approximately $2,000,000; with respect to the Canadian Pacific railway, based upon the 1926 business, it is between $400,000 and $500,000. I have no means of making an estimate with regard to the small lines, that is, the Quebec lines up to Gaspé and the other local lines in Nova Scotia and New Brunswick, but that will be a very small amount. I think we can say that the total initial cost, based of course upon the 1926 business, would be in the neighbourhood of $2,500,000. I do not wish to be tied down to that figure, because it depends upon the development of business and the relationship of that business to operating expenses.

Mr. POULIOT: I have just a question to ask the minister. Will the expansion of the Atlantic region for freight rate purpose affect the operation of the railway?

Mr. DUNNING: Not necessarily. Section 6 says, "For accounting purposes, but without affecting the management and operation of any of the eastern lines . . ." The management and operation is still under the control of the board, as it always has been.

Section agreed to.

On section 5—Movements not preferred.

Mr. COOTE: For many years we in this House have had demands from the maritime provinces that steps be taken to increase the import and export of goods through maritime province ports rather than through United States ports. May I ask the minister if, in his opinion, there is anything in this bill intended to increase the volume of the export and import traffic through the maritime provinces?

Mr. DUNNING: Subsection (c) of section 4 is as follows:

> Traffic moving outward, export traffic, rail and sea, from points on the eastern lines through ocean ports on the eastern lines destined overseas.

Mr. GARDINER: That does not answer the question of the hon. member for Macleod (Mr. Coote). I think his inquiry was addressed more particularly to the goods from further west, either western Canada or Ontario and Quebec.

[Mr. Dunning.]

Mr. DUNNING: That is covered in the section now before the committee, and I am sure my hon. friend can read it as plainly as I can. I might say, however, with respect to grain, that the present differential of Halifax over Montreal represents the lowest cost of moving grain anywhere of which I know; it is one cent per bushel. That is the differential, and there is no plan recommended by Sir Andrew Rae Duncan and his associates or contained in the bill intended to reduce the rate between Montreal and Halifax.

Mr. MacLAREN: I might say that that matter has been referred to the board of railway commissioners for consideration, and the Duncan commission expressly excluded it from their report.

Mr. DUNNING: I should have mentioned that, and I am glad my hon. friend has called it to my attention.

Mr. COOTE: I take it the whole question of freight rates in the maritime provinces was referred to the railway commission, but the Duncan commission did not wait for that.

Section agreed to.

On section 6—Separate accounts to be kept.

Mr. ADSHEAD: May I ask the Minister of Railways to explain the relation of section 6 to section 9? Is the Dominion government to pay the whole 20 per cent, or merely the deficit which may arise?

Mr. DUNNING: I would first ask for a small amendment to this section. I move that the word "railway" be inserted before the word "fiscal" in line 47 of page 3, which will make the sentence read, "In the event of any deficit occurring in any railway fiscal year in respect of the eastern lines . . ." This is just for the sake of clarity, in order that we may know what year is referred to.

Mr. ADSHEAD: Would the minister tell us whether the government is to be liable for the deficit only or for the whole 20 per cent? Under section 9 it would appear that the government is liable for the whole 20 per cent, but under section 6 it appears to be only the deficit.

Mr. DUNNING: If I may, I will deal with section 6 now and with section 9 when we come to it, in order not to complicate matters. In section 6 we are dealing with railways owned by the government of Canada, in which the government is the shareholder and upon which we are now meeting the deficits. In connection with these lines—and be it remembered that we expect these lines will, as

the figures which I gave a little while ago will demonstrate, carry most of the traffic affected by this legislation in the proportion of at least four to one as compared with the other lines—we are proposing to set up separate accounting for the lines covered by this measure and to come to parliament each year with a separate item in the railway budget for the deficit on these lines. I want to say to my hon. friends in that corner who are disposed to be critical of this whole bill, that the deficit figure which will be brought forward in the next railway budget will include not only that portion of the deficit due to the operation of this legislation but the general deficit upon eastern lines. It must in the nature of things. I attempted to work out a scheme whereby we would keep the deficit due to this 20 per cent separate from the ordinary operating deficit on the eastern lines, but it was too complicated to be worth while. Consequently the provision in clause six is being put before the House: that is, with respect to Canadian National lines there will be each year in the railway budget a separate item covering the deficit on eastern lines, but without in any way otherwise affecting management or operation of the eastern lines.

Mr. GARDINER: At this point could the minister give the committee any indication as to the present deficit on those same lines?

Mr. DUNNING: The operating deficit on the Atlantic division from Rivière du Loup, which is the present terminus, was in 1926, $4,777,000. My hon. friend must understand that I am speaking from memory, but I think the figure is practically accurate.

Mr. POULIOT: Would the minister have any objection to amending clause 6 by suppressing these words in the first and second lines:

But without affecting the management and operation of any of the eastern lines.

Mr. DUNNING: I am afraid I could not accept that amendment, because it is desirable to leave the management free to deal with management and operation as from time to time circumstances may warrant. We are quite clear that for accounting purposes we desire this portion of the line separated, but we are not quite clear that we should tie the hands of the management in any other way.

Mr. POULIOT: Would the minister agree to suppressing the words "and operation" in the second line?

Mr. DUNNING: I am sorry I could not.

Amendment (Mr. Dunning) agreed to.

Section as amended agreed to.

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Mr. COOTE: I would like to suggest to the government that this would be a good time to adjourn. It is ten minutes after twelve o'clock.

Some hon. MEMBERS: Put the bill through.

Sections 7 and 8 agreed to.

On section 9—Other companies may make competing tariffs.

Mr. HANSON: Why is the first subclause of clause 9 made permissive instead of peremptory?

Mr. DUNNING: The other lines involved cover such a wide range of types of railway operation that it was difficult to arrive at a suitable wording. I may say that in one draft I had the word "shall", and found, in connection with some of the local lines, that they had special freight tariffs of their own higher than the rates now in effect in the area referred to and especially authorized by the railway commission as a result of particular conditions operating in that area. Therefore I thought it advisable to leave the matter permissive instead of mandatory. My hon. friend is probably interested and I know the hon. member for Hants-Kings (Mr. Ilsley) is interested in whether or not the Dominion Atlantic Railway, which, while a separate corporation, is owned by the Canadian Pacific and which serves a large portion of Nova Scotia, will put these reductions into effect. I may say in that connection that, as soon as the financial resolution appeared on the order paper, the Canadian Pacific very naturally wanted to know where they came in. As a result of interviews and consultations between the parties affected, including some of the other railways as well as the Canadian Pacific, the present clause as it appears in the reprinted bill was evolved. During those consultations I received from President Beatty of the Canadian Pacific absolute assurance that these rates would be met in full on all lines controlled by the Canadian Pacific in the area affected. Further than that I cannot go.

With respect to other lines of railway I am finding new lines of railway down in the maritimes every day or two. I get a wire from some railway I never heard of before and which I find some of my maritime friends never heard of before asking if they will not be permitted to put this tariff into force and to secure the benefits of clause 9 in the reprinted bill. I feel sure that this feature of the clause will work out satisfactorily without being mandatory, because if it were mandatory, other more serious problems would arise in connection with some of the local lines.

Mr. SHORT: Are we to understand that this clause covers practically all railways in the maritimes outside of the Canadian National and the Canadian Pacific? I am very much interested in the Dominion Atlantic Railway because it runs through the whole of my constituency. It is one of the prominent railways in Nova Scotia; it covers 217 miles from Yarmouth to Halifax, one of the most important parts of the province. I want to know distinctly from the minister whether it is going to be included in this 20 per cent reduction.

Mr. DUNNING: As I said a few moments ago the Dominion Atlantic, if it so desires, may under clause 9 file a tariff meeting the tariff set forth in this legislation. I have the assurance of President Beatty of the Canadian Pacific, which controls the Dominion Atlantic, that such tariffs will be filed and that the rates will be met on the Dominion Atlantic.

Mr. GARDINER: I take it that under this particular clause the country will be called upon to reimburse to railways other than the Canadian National the full 20 per cent reduction.

Mr. DUNNING: Again I can only refer my hon. friend to the language of the clause. It was a very difficult thing to devise because of the fact that, if we said in so many words that the difference between existing normal rates and the rates reduced by 20 per cent would for all time, or at least so long as this statute remained in existence, be paid by the Dominion, we might very well run into difficulty in a few years time on account of increases in the volume of traffic consequent upon the reduction and a consequent decrease in operating ratio due to a greater density of traffic, while the Dominion would still be paying the flat 20 per cent. In drafting this clause an effort has been made to get around the difficulty by providing that the railway commission shall be required to certify what would have been the normal tolls on that railway in that area if this special legislation had not been in effect. In that way we hope to have the conditions sufficiently elastic so that if there is a great increase in traffic and, as a consequence of greater density, a better operating ratio is obtained, the Dominion government will not then be compelled to pay the full 20 per cent. That is the principle of section 9. But my hon. friend is quite correct, that to start with 20 per cent will have to be borne by the government.

Mr. SPENCER: Otherwise it will be put up to the railway commission to say whether lower rates will be charged?

Mr. DUNNING: No. If my hon. friend will read subsection 3 he will see that it provides:

> The board on approving any tariff under this section shall certify the normal tolls which but for this act would have been effective and shall, in the case of each company, at the end of each calendar year promptly ascertain and certify to the Minister of Railways and Canals the amount of the difference between the tariff tolls and the normal tolls above referred to on all traffic moved by the company during such year under the tariff so approved.

If my hon. friend will then read subsection 4, he will see that it provides:

> The board shall, in every third year and at any time upon the request of the governor in council, ascertain and certify to the Minister of Railways and Canals whether under the provisions of the Railway Act, the normal tolls referred to in subsection three hereof, should be revised and in the event of such revision the revised normal tolls shall thereafter be used instead of the normal tolls referred to in the said subsection in calculating the difference to be paid to the company thereunder.

Mr. IRVINE: Suppose that through the reduction the traffic increases considerably so that in 1928 the railway companies will make more money than they made in 1926; would the government still have to pay this 20 per cent?

Mr. DUNNING: I expect that it will be the duty of the Department of Railways and Canals each year to watch the operation of this statute with great care. In each third year it will be the duty of the railway commission in any case to take into account such factors as that mentioned by my hon. friend, but in addition to that being done every third year, the governor in council may demand that it be done at any time in order to ensure that there shall be a reasonable parity between the improvement made in operating ratio upon the railway and the amount paid annually by the Dominion.

Mr. ADSHEAD: Does the $2,500,000 which the minister mentioned a moment ago include all that we shall have to pay next year under the 20 per cent reduction?

Mr. DUNNING: We propose to celebrate the diamond jubilee of confederation by bringing this act into effect on July 1st, so the whole year will not be involved. But on the basis of the 1926 volume of business and on the basis of the spread set out in this law, it will be about $2,500,000 a year; that is to say, if it runs from the 1st of July, 1927, to the 1st of July, 1928, I would estimate that about $2,500,000 may be involved.

Mr. STEVENS: And as the traffic improves, the spread diminishes; is that right?

Mr. DUNNING: We hope it will.

Mr. HEAPS: Some time ago I asked a question as to that part of the Canadian Pacific railway line which runs through the state of Maine, and the minister said he would give an explanation on section 9.

Mr. DUNNING: Subsection 1 of section 9 speaks for itself. It says:

(1) Other companies owning or operating lines of railway in or extending into the select territory may file with the board tariffs of tolls respecting freight movements similar to the preferred movements, meeting the statutory rates referred to in section seven of this act.

That means that the Canadian National Railway under this act has a certain rate from Halifax to Montreal; that is the outbound movement referred to in a previous section. The Canadian Pacific also has an outbound rate from Halifax to Montreal. The fact that the Canadian Pacific passes through the state of Maine makes no difference whatever. They meet the Canadian National rate between these two points, and hence they get the benefit on that portion of the mileage which is in the maritime provinces.

Mr. HEAPS: Do they get the 20 per cent on that portion which is not in the maritime provinces?

Mr. DUNNING: The railway commission will certify what the tariff would have been but for the existence of this legislation, and they will be paid that.

Mr. COOTE: I would ask the minister to be good enough to explain to me just what is meant in the fourth line of subsection 4, where it says: "whether under the provisions of the Railway Act, the normal tolls referred to in subsection 3 hereof, should be revised."

Mr. DUNNING: The normal tolls are the tolls at present in existence on the lines in question and approved by the board—the tolls which would continue to be in existence but for this act—the tolls which necessarily must be used as the basis of calculation for the payment to be made to railways other than the Canadian National. My hon. friend will see therefore in a moment the importance of having the ordinary provisions of the Railway Act apply to a revision of these normal tolls, although they are no longer being used for freight rate purposes, but merely for the purpose of calculating what is due the railways under the statute. Therefore we require to have provision made whereby the railway commission can revise the tolls which should have been charged but for this legislation. Is that clear to my hon. friend?

Mr. COOTE: I would ask this question to clarify it: Does this subsection mean that if the rates outside of the maritime provinces should go up or down, a change will be made in the 20 per cent such as to keep the rates in the maritime provinces at the level they will be under this act when it comes into force?

Mr. DUNNING: I cannot follow my hon. friend there; I do not quite know where he is going. But perhaps he would be satisfied with this general assurance, that all the provisions for elasticity under the control of the railway commission which could be inserted in this act have been inserted.

Mr. COOTE: Is it the intention of the government to have the committee rise, and adjourn the House when this bill is reported?

Mr. DUNNING: I am content to rise at any time. I am completely in the hands of the committee.

Mr. COOTE: The only reason I ask is that I want to know whether or not there is any further business coming on to-night.

Mr. MACKENZIE KING: No, we will just get this through.

Section agreed to.

Sections 10, 11 and 12 agreed to.

On the preamble.

Mr. HEAPS: I move to add to the bill the following clause:

That this act shall remain in force for a period of ten years from the date on which it comes into operation, after which the act may by parliament be renewed either in its present form or with such modifications as the then existing conditions may render desirable.

Mr. DUNNING: I must oppose that amendment because it seeks to bind future parliaments. I am surprised that my hon. friend should arrogate to this parliament sufficient wisdom to make it absolutely certain that no future parliament for ten years shall have authority to amend or change this act. I will not do that at all.

Mr. HEAPS: Then do I understand that parliament may within the next ten years amend the present act?

Mr. DUNNING: The authority of parliament remains supreme, but my hon. friend's motion would undermine that supremacy.

Mr. HEAPS: If there was no question asked and no statement made, it might be taken that this was something which was being granted in perpetuity.

Mr. DUNNING: No, no.

Mr. HEAPS: It is all right to say, "No, no," but I have seen these things happen previously and the inference has been drawn, because there is nothing in the act to the contrary, that it will simply continue in force and that no changes can possibly be made in it.

Mr. DUNNING: I think the amendment is really out of order, as limiting the power of parliament.

Amendment (Mr. Heaps) negatived.

Preamble agreed to.

Bill reported.

On motion of Mr. Mackenzie King the House adjourned at 12.25 a.m. to meet at 11 o'clock on Tuesday, April 5th.

Tuesday, April 5, 1927

The House met at eleven o'clock.

COMMITTEE ON AGRICULTURE

TO SIT WHILE HOUSE IN SESSION

Mr. W. F. KAY (Brome-Missisquoi): Mr. Speaker, by leave of the House, I wish to present the following motion from the select standing committee on agriculture and colonization:

That the select standing committee on agriculture and colonization shall have leave to sit while the House is in session.

Three bills were referred to this committee last Friday, and I have not had an opportunity of calling the committee together to make this recommendation, but perhaps the House will consent to my moving it to-day as the House decided yesterday to sit at eleven o'clock in the morning.

Motion agreed to.

NATURAL RESOURCES—WESTERN PROVINCES

Hon. J. W. EDWARDS (Frontenac-Addington): Mr. Speaker, I desire to present petitions from Saskatchewan, Alberta, Manitoba, Nova Scotia and Ontario asking that the natural resources of the western provinces be restored to them without restrictions. These petitions are signed by 6,709 names.

[Mr. Heaps.]

PRIVATE BILLS

FIRST READINGS

Bill No. 261 (from the Senate) respecting a certain patent of R. T. Vanderbilt Company.—Mr. Edwards (Ottawa).

Bill No. 262 (from the Senate) for the relief of John Henry Fisher.—Mr. Rennie.

Bill No. 263 (from the Senate for the relief of Leo Bruce Burley.—Mr. Tummon.

Bill No. 264 (from the Senate) for the relief of Hilda Parker.—Mr. Pettit.

Bill No. 265 (from the Senate) for the relief of Gladys Ivy Turner.—Mr. Casselman.

Bill No. 266 (from the Senate for the relief of Rose Ann Hill.—Mr. Speakman.

Bill No. 267 (from the Senate for the relief of Annie Mary Ann McCulloch.—Mr. Ladner.

Bill No. 268 (from the Senate) for the relief of George Melvil Fleet.—Mr. Bell (Hamilton West).

FEDERAL DISTRICT COMMISSION

OTTAWA IMPROVEMENT COMMISSION ACTS TO BE REPEALED

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved that it is expedient to bring in a measure,—

1. To provide for a Federal District Commission and to repeal the acts respecting the Ottawa Improvement Commission;

2. To authorize the payment to the commission of the sum of $250,000 a year for a period not exceeding sixteen years from the first day of April, 1927, and to make provision for borrowing powers, the issue of debentures and the repayment thereof.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

NATURAL RESOURCES—WESTERN PROVINCES

JUDGMENT OF SUPREME COURT

On the Orders of the Day:

Hon. J. W. EDWARDS (Frontenac-Addington): I would like to inquire from the Prime Minister if we are likely to receive before the close of the session the report of the judgment of the Supreme court relating to the natural resources of the west.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am sorry I cannot give my hon. friend that information at the

moment, but I will speak to the Solicitor General about it as soon as he comes in, and later in the day I may be able to answer my hon. friend's question.

NATURALIZATION ACTS AMENDMENT

On the Orders of the Day:

Mr. A. L. BEAUBIEN (Provencher): May I ask the hon. Secretary of State (Mr. Rinfret) if he can inform us when the second reading of Bill No. 115, to amend the Naturalization Acts, 1914 and 1920, will be taken up?

Hon. FERNAND RINFRET (Secretary of State): I am sorry I cannot give a definite reply to my hon. friend. It may still be taken up in the course of the week, but I cannot give my hon. friend any specific date.

CIVIL SERVICE SALARIES—REVISION

On the Orders of the Day:

Hon. FERNAND RINFRET (Secretary of State): Mr. Speaker, I should like to make a reply to a question put yesterday by the hon. member for Rosetown (Mr. Evans) concerning the proposed salary increases for the civil service. The hon. member remarked that it had been represented that a number of civil servants in certain classes would not get the benefit of the $120 increase, and he asked if the government would reconsider the revision so that these grades would get consideration.

Perhaps we can go more fully into that matter when the supplementary estimates covering these increases are before the House. I might say, however, that the principle underlying these increases is that every member of the service, outside and inside, should get an increase of $120, but exceptions have been made regarding those civil servants who have already partially or fully received that amount of increase since 1924.

Mr. J. A. CLARK (Vancouver-Burrard): In connection with the minister's statement, I have before me a telegram and a letter from the Amalgamated Civil Servants protesting against the exception of the classes referred to in paragraph (d) in the minister's statement the other day, which provides for an increase of only $5 a month for the majority of those civil servants. I would ask, first, if the Secretary of State will tell the House what proportion of the civil servants come within that exception (d). The Amalgamated Civil Servants also draw attention to the increase provided for the railway mail clerks. A comparison is quoted which shows the railway mail clerk as in receipt of a salary of $1,740, with a minimum of $1,080, as compared with the same class in the United States, who receive a maximum of $2,600 and a minimum of $1,800. I mention this comparison because in other classes the comparison between Canada and the United States is equal. For instance, the district superintendents in both countries receive $4,200, the chief clerks receive $3,600, and there is a very great disparity in the lower grades.

Mr. RINFRET: The two questions verge on the same subject. The exception (d) in the report as presented to the House the other night, which I have not before me, covers mostly and almost exclusively, I think, the postal clerks and railway mail clerks. These clerks, Mr. Speaker, demanded an increase in 1924, of $240. They have already received since that time $180 increase, and that is the reason why it is proposed this year to grant only the difference—that is to say $60—meeting, as we understand, fully their demands. Representations have been made to me since the time I made my statement to the House, and we are looking into the matter now. In reference to the question of bringing their salaries up to a parity with the salaries in the United States, we will consider that later on, when the full receipts of the service are on a parity with the receipts of the United States.

Mr. GUTHRIE: Will the minister tell me whether the proposed increase includes letter-carriers? I have had a number of inquiries.

Mr. RINFRET: It was the intention to include them. We are going to ask the House to vote an amount covering those increases, but there is nothing final in the proposals so far in regard to these classes.

Mr. KAISER: Are the rural mail carriers included in that?

Mr. RINFRET: It all depends whether they come under the Civil Service Commission or not. If they are under contract, of course they would not come under it.

IMPERIAL CONFERENCE

DEBATE ON STATEMENT OF PRIME MINISTER AND AMENDMENT OF MR. GUTHRIE

The House resumed from Thursday, March 31, consideration of the motion of the Minister of Finance (Mr. Robb) for committee of supply, and the proposed amendment thereto of Mr. Guthrie.

Hon. R. J. MANION (Fort William): At this late hour of the session, Mr. Speaker, and at this late stage in the debate I do not

intend to take up very much time. I shall endeavour to confine my remarks within the space we are allotting next year to speakers in the House of Commons. Before commencing my remarks dealing with this question, I desire to express my very great regret, which I know is shared by the whole House, that the hon. member for West Calgary (Mr. Bennett), on account of illness, is unable to take his place to-day and resume the debate, as was his intention. The hon. member for West Calgary deals with such questions so brilliantly and ably that his speeches, even when hon. members on the other side do not agree with his view, are always listened to with great interest and attention; so that it is really the loss to the House if the hon. member is not able to come here at some time and take part in the debate on a question which he is so pre-eminently qualified to discuss.

The fact that a large proportion of those who have spoken on this question are constitutional lawyers, and that I am not, may possibly bring to this debate something from me that represents the viewpoint of the layman rather than the viewpoint of the constitutional lawyer. We have heard some very able disquisitions upon the question from the standpoint of constitutional law. I intend in my brief remarks to deal with the matter from the standpoint of the man on the street, rather than from the viewpoint of legality. There is no more fascinating study probably in the whole range of politics, at least for a Canadian, than the study of the gradual constitutional development of the British Empire, and many citizens of Canada, in fact perhaps all reading citizens of Canada, have given a great deal of attention and thought to that question. When one remembers that the British Empire comprises a quarter of the people, and a quarter of the area of the globe, that it takes in all races, creeds and nationalities, that it touches all the continents of the world, and that it comprises practically all the various forms of government from the most democratic constitutional monarchy to the government which is perhaps undemocratic because of the backwardness of the people governed, it is easily understood why the question is so interesting.

Never before in the history of the world have we had an empire such as the British Empire. The Roman Empire, the Turkish Empire, the Russian Empire, the German Empire, and any of the empires which have existed in the past have borne only a slight resemblance to the British Empire as it is to-day, and that is why the hon. member for Labelle (Mr. Bourassa), when he was speaking, mentioned that the word "empire" as he understood it, and the word "commonwealth" as he understood it, were not properly applied as they are applied to-day to the British Empire and the British commonwealth of nations. I admit that from the dictionary standpoint if you will, the words "empire" and "commonwealth" do not apply as they are used to-day, but it simply means that the words "empire" and "commonwealth" are given a broader meaning and a wider significance than they have received in the past, and I believe they are, like many new words which are getting into the dictionary from time to time, and will be interpreted in the future as properly used when used as they are at present. It is apparent to the most superficial reader that the constitution of Canada has been growing as the years go by, just as the British constitution has been growing in the same way. In fact I think it is apparent even to superficial readers that the actual growth has been faster than the legal growth; in other words, that there are clauses in the British North America Act which apparently are still in force, but which are really obsolete, so far as we are concerned. The spirit of the constitution and the letter of the constitution are not exactly the same. There has been an actual evolution towards complete autonomy which has not been recorded at all times in the British North America Act. One author expresses it in this way: that changes have been taking place in inter-imperial relations without resort to imperial legislation, simply by the creating of new conventions of the constitution; and it seems to me that since we may change our constitution without recording such change in the British North America Act, or since the British may change their constitution by new conventions, there is danger of a report of an Imperial conference such as this being accepted by the House without such an amendment as has been moved by my hon. leader. If we accept the report of this Imperial conference without discussion and without making it clear that it is not a legal, binding document upon this House, some day we are likely to find that one of the conventions—and I use the term rather broadly—mentioned in the report may have upon some of the parties to the compact an effect which it was not the intention of this House or of the parties to the compact to permit to happen. I think it was Sir Robert Borden who used the phrase "legal power" as opposed to "constitutional right." For example some of the speakers mentioned the power of

disallowance by the British parliament of some Canadian legislation, a power which still technically exists, but which has not been exercised for about half a century, and which for that reason is obsolete. Therefore the constitutional right to-day would not permit the British parliament to change or veto our legislation, but the legal power is still existent in the constitutional act.

The same thing is true in regard to the constitution of Great Britain. The king is empowered to veto legislation passed in Great Britain but his practice of doing so is virtually obsolete. In other words, we are gradually becoming a completely autonomous state. I may be quarrelled with for making that statement, but I shall deal with it in a moment. We are part of an alliance of nation states acknowledging a common allegiance to the crown. I think the Minister of Justice (Mr. Lapointe) used the term "unity and liberty". The term "unity with liberty" appeals to me as better expressing what is meant. Just as England has been becoming more democratic by the king having less power and the people gaining more power, so in exactly the same way we have been growing in the attributes of nationhood. There has been in our constitutional power a gradual growth which, I think, has been satisfactory to most people except some constitutional experts, in some cases self-constituted constitutional experts, and perhaps some youthful Canadians who with all the impulse of youth are going ahead as Rosebery one time said, "with all the heedless rhetoric of ambitious youth." Therefore I believe, generally speaking, the gradual evolution of our constitution has been satisfactory to most of the people of this country.

There are a few facts which, it seems to me, as Canadians, whether Liberals, Conservatives, Progressives or whatever group we belong to, we might as well admit:

1. That our autonomy has been increasing and is to-day almost complete.

2. That our international standing among the nations of the world has also been reaching a high position and has to-day almost arrived at the stage of our being a nation absolutely and completely in the eyes of other nations.

3. That there are to-day in Canada no colonials. Every one of us is in a sense a national, if I may modify the use of that word a little. We are all nationals in this that we believe our country is developing gradually into a great nation, becoming more and more a powerful nation among the nations of the world. I do not believe any one takes the reactionary attitude that we should go back on that progress.

4. That everybody in our country has a strong desire for peace not only at home but internationally. In that regard I think the British commonwealth of nations is a league of nations in itself, helping us very materially towards maintaining the peace of the world. Our own league of nations, the British commonwealth of nations, is actually an example for the larger and more important, if you will, League of Nations which exists and which is not carrying out its functions to the same extent that the British commonwealth of nations is carrying out its functions.

With those general remarks from the standpoint, as I stated, of a layman, I wish for a few moments to deal with the Imperial conference as it appears to me. As I read in the press the reports of that Imperial conference when they were first published, before we had the authoritative report placed on the table of the House, it struck me that few if any changes were made in our constitutional position. It seemed to be merely a report of things as they were, an announcement in plain English of our position. The London Times called it "an authentic picture of the empire as it is," and it struck me at that time at least that that was a complete description of the result of the Imperial conference.

But since then contradictory statements have been made by various leaders, particularly by some of the prime ministers who attended that conference, and those statements make all those interested in the question of the development of Canada look into the matter a little more deeply. Mr. Bruce, in his speech at Montreal, said there was no modification of status at all. Mr. Hertzog said that the empire signifies nothing more than a mere name. That is a much more extreme statement than that of Mr. Bruce, and our own Prime Minister, if I may boil down his words somewhat, said that this was among the great charters which have stood for a larger freedom.

Mr. MACKENZIE KING: I desire a little later to say a word about the reference to this being a charter of freedom. All speakers on the other side have not quoted my words in that connection. I prefaced what I said by the words, "in that particular"—and I will refer to it a little later—the particular being that there was nothing new in the report of the conference, but that it rather stated something that had already been stated and acknowledged as a fact. In that particular I compared it to the great charters of history.

Mr. MANION: I certainly do not wish to do my right hon. friend any injustice in the matter. I believe he made the same objection when the leader of my party was speaking. If one looks at the three assertions, the most one can say is that our Prime Minister's assertion, if we take his words as stated now, agrees more or less with the statement of Mr. Bruce, but neither of them agrees with the statement of Mr. Hertzog of South Africa. Therefore the argument remains the same, that we have good ground for looking into the real reason for some of those statements. The clause that has been most discussed in the report appears on page 12 of the Summary of Proceedings. I will read only the lines in italics. Speaking of the group of self-governing communities, the report states:

They are autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the crown, and freely associated as members of the British commonwealth of nations.

With ninety per cent of that probably nobody could quarrel at all; but with the statement that we are absolutely autonomous, absolutely equal one with another, I think, in view of the fact that there is in England the power to change their constitution without submitting the question to any other part of the empire, and that that power does not exist in Canada, we can hardly state truthfully, when looking at the facts that we are absolutely equal constitutionally. The Minister of Justice in his speech stated that there was no inferiority—and I am certainly not arguing for inforiority—as long as we were willing to admit this condition and willing that this condition should continue. I think I am quoting him correctly. Just to admit a condition does not remove it. To admit a fact does not remove it. For example, a man might admit that he was in poverty; he might say that he was perfectly willing to remain in poverty, but that would not make him a millionaire. The same is true in regard to our constitution. To admit that we are willing to continue thus is not necessarily to put us on an equality with Great Britain in this respect. Therefore to my mind it might be well for us to look at the facts without, in doing so, being accused of colonialism or a desire to be subordinate to some other part of the empire.

The claim that has been made by some, that we are in a position of new superiority does not appear to me to be sustained by the facts, for the simple reason that our present status is the result of a gradual growth

[Mr. Mackenzie King.]

hastened, it is true, very materially by the war. Our position as a virtually autonomous self-governing nation within the empire was long ago conceded. One might go back quite far among the records of progress in the empire to prove this assertion, but three or four brief quotations will I think suffice to illustrate the point I am making. For example, in 1911 at the Imperial conference Mr. Asquith is reported as having said that the responsibility for foreign relations could not be shared by the dominions with the British parliament.. In 1912, however, the same Mr. Asquith delivered a speech in which he practically retraced his steps in this regard and admitted that there had been an increase in power on the part of the self-governing sections of the empire; and he recognized their right, later on, of participating in the guidance of foreign affairs in the empire. This shows the growth that was taking place. Richard Jebb, a much quoted authority who has written many interesting books on this subject, in one of his books published in the year 1911 advocated an imperial parliament or federation; and in the 1911 conference Sir Joseph Ward of New Zealand embodied this proposal in a motion which failed to receive the support of Sir Wilfrid Laurier or any of the other dominion representatives attending that gathering. Since that time the imperial federation idea has I believe become defunct. The same Richard Jebb two years later, in 1913, wrote a book—I cannot at the moment recall the title but I have read it—in which he described the dominions as nation states, and from the idea of nation states he proceeded to the broader conception of what he called a Britannic alliance. At the Imperial War conference of 1917 our position was clearly stated, and perhaps I may be allowed to quote two or three sentences from the declaration then made:

The Imperial War conference are of opinion that the readjustment of the constitutional relations of the component parts of the empire is too important and intricate a subject to be dealt with during the war, and that it should form the subject of a special imperial conference to be summoned as soon as possible after the cessation of hostilities.

They deem it their duty, however, to place on record their view that any such readjustment, while thoroughly preserving all existing powers of self-government and complete control of domestic affairs, should be based upon a full recognition of the dominions as autonomous nations of an imperial commonwealth and of India as an important portion of the same.

That was a clear enough definition of our position as seen by the Imperial War conference of 1917. I shall give one other quotation, and that from Mr. Lloyd George.

It has been cited before in debates on this question, but it will bear repetition. The statement to which I refer was made in 1921 at the Imperial conference, I think, when, speaking of the self-governing parts of the empire, Mr. Lloyd George said:

> They are signatories to the treaty of Versailles and of all other treaties of peace. They are members of the Assembly of the League of Nations and their representatives have already attended meetings of the league. In other words, they have achieved full national status and they now stand beside the United Kingdom as equal partners in the dignities and responsibilities of the British commonwealth.

These quotations are, I think, sufficient to show the point of view generally taken in regard to this question. Apparently, therefore, there has been no change in our status as it was recognized some years ago. It has long since been admitted that we were, ultimately at any rate, to be fully autonomous states, and while many other opinions might be quoted to illustrate the widespread acceptance of that fact years ago, it will be admitted, I fancy, that within the past few years, particularly since the war, we have broadened our autonomy. It seems to me that we have developed, from the standpoint of national autonomy to national manhood, just as unconsciously in a way to ourselves, and in a sense as unobserved by other nations, as sons grow to manhood unconsciously to their parents and very often unnoticed by friends and neighbours.

If I may briefly sum up what I have said I shall have concluded that branch of my remarks. We are to-day, in my opinion, virtually independent states within the British Empire, owing a common allegiance to the crown, but not equal to Great Britain so far as the power of making constitutional changes is concerned. There are still many anomalies in our constitution, which anomalies, like others that have existed in the past, will gradually be removed. The Canadian people will without doubt ultimately rule the destiny of this country through its parliament, and if Canadians through their parliament should ever decide to sever the ties of empire and become an independent nation there would be no question about the British parliament accepting that decision. Internationally we are rapidly attaining complete nationhood, as evidenced by our presence at the negotiation of the treaty of Versailles and our signature to the covenant of the League of Nations. And why should we not attain that nationhood when we consider such countries as Bulgaria, Poland, Belgium, the Argentine or Brazil?

Mr. GARLAND (Bow River): It is not fair to compare us with them.

Mr. MANION: I agree with my hon. friend that it is hardly fair to compare us in civilization and progress with some of these other countries. At any rate, to be modest, we may safely say that in civilization and general progress we are not behind any of the countries I have mentioned.

Now I wish to deal for a few moments with the remarks of my hon. friend from Labelle (Mr. Bourassa).

Mr. ADSHEAD: The hon. member has spoken of our complete nationhood. What voice have we in the declaration of war or peace? Is that not decided by Downing Street?

Mr. MANION: Our voice in the declaration of war and peace has not so far been very strong, but that is one of the deficiencies which time will remedy. It just proves the statement I have made that we are not on an equality at the present time with Great Britain.

Mr. ADSHEAD: The Imperial conference report states that the same phase of "equality of status" does not function. Perhaps the question of our part in declaration of war does not function.

Mr. MANION: I am going to discuss briefly now some of the remarks of my hon. friend from Labelle. I regret very much the attitude which that hon. gentleman so often assumes in this House and which, if it does not reflect his true state of mind on the subject, is a serious injustice to himself. At any rate he appears to entertain a strong dislike, if not an absolute hatred, for Britain. It seems to me that such an attitude can do nothing but injure the hon. gentleman's own compatriots by inspiring antagonisms, dissensions, unrest and misunderstandings between them and the other people of this Dominion. Nay, more: he inspires antagonisms between the people of this country and those of other parts of the empire. This is well demonstrated by his reference to Lord Cave, whom he cited the other day as having expressed an opinion which would certainly be unworthy of a great judge—an opinion alleged to have been offered on a subject which was sub judice in the Privy Council. The hon. member declared that Lord Cave had made the statement while in Canada. Lord Cave has since then, however, absolutely denied the allegation. But suppose that he had made the statement ascribed to him: that would not prove the uselessness of the Privy

Council; it would merely prove the indiscretion of Lord Cave. I have no desire whatever to do the hon. member for Labelle any injustice; my sole intention is to bring about a better understanding among the people of this country and between us and the rest of the empire. I ask, what good can it possibly do for anyone here to be continually taking an attitude which must necessarily result in misunderstanding, not only among Canadians themselves but among the different peoples of the empire?

I may observe—I hope without any suggestion of conceit—that a good deal of my reading has been historical; and let me add that, being so far as I know of pure Irish descent, I am not inclined to give any blind allegiance to England. In other words I am not a blind worshipper at the shrine of England, and I say that quite frankly in view of the remarks I am going to make. Even taking that into consideration, after having read a good deal of history and after having considered world conditions I feel that the world owes a great debt of gratitude to Great Britain for her achievements in parliamentary progress, her advancement in democracy, for her successful colonization of the far corners of the world, and for her general high ideals of liberty and freedom. To make the statement that England has made mistakes, some of which the hon. member for Labelle (Mr. Bourassa) continually quotes, is merely to admit that the governments of England have been made up of human beings. Every government the world has ever seen has made mistakes, even the government of my right hon. friend the Prime Minister, and looking back at some of the mistakes made by Great Britain it seems to me that she has paid dearly for many of them. I have read a great deal of the history of Ireland, and I say here without caring much whether it pleases or displeases anyone that I have felt for many years that England made terrible mistakes in her government of Ireland. But she has suffered very much for many of those mistakes, because in the last war, for example, if she had accepted the suggestion made by Mr. Gladstone in the eighties that Ireland should be given the home rule which she possesses to-day, Ireland would have been a very patriotic ally instead of more or less of a thorn in the side of England. Again in the case of the American colonies mistakes were made by a stubborn king and a stupid prime minister which drove those colonies out of the empire; if those mistakes had not been made the United States might have still remained a part of the empire. I submit, however, that taking into consideration all those mistakes having to do with Ireland, with the American colonies, and with other parts of the world, and putting on the opposite side of the balance the honourable and noble achievements of Great Britain in the advancement of the world, she deserves the gratitude of the whole world for the progress she has helped bring about.

To say that Great Britain has made mistakes may be easily balanced by taking into account some of the mistakes made by other countries, and as I thought of the remarks I am now making I jotted down from memory a few mistakes which came to my mind. Think of the mistakes Spain made in Cuba, for example, which led to the Spanish-American war; then the Spanish persecution of the Netherlands. Consider also Austria's oppression of northern Italy in the years gone by; Germany's treatment of the people of Alsace after the Franco-Prussian war; Russia's treatment of Poland and the Tzarism which followed, and the Sovietism which followed the Tzarism and which to my mind is an even worse type of government. Then there was the treatment of the Huguenots by France, and the attempts of Louis XIV and later of Napoleon I to dominate the world and to become despotic rulers of the whole of Europe. I mention these mistakes not to criticize these various countries but to show that other countries have made just as grievous and even greater mistakes than those made by Great Britain.

Mr. GARLAND (Bow River): Even in China?

Mr. MANION: Yes, probably even in China, but I will not go into the Chinese situation just now; I will leave that for my hon. friend. Now I will point out one of the good things done by England which should appeal to the hon. member for Labelle (Mr. Bourassa) and which I am sure does appeal to all members from Quebec sitting opposite. England conquered Canada and took it from France; in the ordinary course of events, especially in the spirit of those days, it was to be expected that England would wipe out the French language entirely to make this a British, English-speaking, dominion. Instead of that there could not be fairer treatment, it seems to me, given to any group of people than was given by Great Britain to the 60,000 French-Canadians who were then living in the province of Quebec. I think her treatment of those French-Canadians at that time is well epitomized in the words of Lord Elgin to Earl Grey in 1848. It is true that Lord Durham did suggest in his report that

the French language would be and perhaps should be submerged, but the words of Lord Elgin are, I think, worthy of being placed on Hansard although they have doubtless been quoted many times before. In 1848 he wrote as follows:

I am very anxious to hear that you have taken steps for a repeal of so much of the Act of Union as imposes restrictions on the use of the French language. . . . I must moreover confess that I for one am deeply convinced of the impolicy of all such attempts to denationalize the French. Generally speaking they produce the opposite effect from that intended, causing the flame of national prejudice and animosity to burn more fiercely. But suppose them to be successful what would be the result?. . . . Depend upon it, by methods of this description, you will never Anglicise the French inhabitants of the province. Let them feel on the other hand that their religion, their habits, their prepossessions, their prejudices if you will, are more considered and respected here than in other portions of this vast continent . . . . and who will venture to say that the last hand which waves the British flag on American ground may not be that of a French Canadian?

It seems to me that those words completely cover the treatment of the French language and the French religion, if you will, the Catholic religion.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: The Catholic religion is largely the religion of the French speaking people; there are some French speaking Protestants, but they are not numerous. At any rate, I refer to the treatment of the Catholic religion. The treatment of the French minority is well shown in those words of Lord Elgin, and so far as I know it has been carried out almost entirely to this day. The treatment of the Boers by England after they were conquered, and I believe her treatment of India and Egypt, have been largely beneficial to those countries, and show Britain's great desire for freedom.

The reason I have mentioned Britain's treatment of the French in Quebec after the conquest of Canada is for the purpose of contrasting the treatment of the French people in Louisiana by the Americans after Napoleon sold Louisiana to the American government in 1803. At that time Louisiana comprised not the area it contains to-day, but a territory made up of the present states of Mississippi, Arkansas, Minnesota, Dakota, Nebraska, Oklahoma and some other sections of other states, and at the time it was sold it contained about 80,000 people most of whom spoke French, which was the common language of the people of that day. But within eight years, in 1811, English was made the official language and French was not recognized. I desire to quote here an historical authority in the words which follow.

Mr. EDWARDS (Frontenac): May I ask a question? Was not that done in the face of protest from the inhabitants of that country?

Mr. MANION: Yes, and I am going to read one or two of the protests which I have under my hand and which I copied in the library after the speech of the hon. member for Labelle, from a work on the history of Louisiana. In 1811 there was passed by congress an act to enable the people of the territory of Louisiana to form a constitution and state government. I quote the words of section 3 of that act:

The constitution to be formed. . . . shall be republican. . . . and its records of every description shall be preserved, and its judicial and legislative written proceedings conducted in the language in which the laws and the judicial and legislative written proceedings of the United States are now published and conducted.

That is, the English language. It is not surprising that when Louisiana was organized and the English language was introduced discontent resulted, and Laussat, the colonial prefect who had handed the purchased territory to the United States, writes in 1804:

Hardly had the agents of that government taken the reins in hand, when they accumulated errors on errors and blunders on blunders.

He refers to:

—the leading characteristics of their administration, such as the sudden introduction of the English language, which hardly anybody understands, into the daily exercise of public authority, and in the most important acts of private life.

Even in 1823 the governor complains of the hardship of "requiring our records to be kept in the English language." That is a contrast that, I think, is well worthy of consideration by my good friends from the province of Quebec. It is well worth their while to remember the contrast between the treatment of the French people of Louisiana by the Americans when they purchased the territory, and the treatment of the French Canadians of Quebec by the English when they conquered the territory.

Mr. MARCIL: The conditions were not the same in Louisiana and Quebec. The French people were masters of the situation here; they were not in Louisiana.

Mr. MANION: I do not know how the French Canadian people could be masters of the situation when they had just been conquered.

Mr. MARCIL: How many British people were there in Canada in 1759?

Mr. MANION: On the other hand, this historian states that there were practically no English speaking people in Louisiana at that time. The language there was French; practically all the people spoke French, and it was the language of conversation at that time. However, I am making these remarks in all good faith. I certainly do not wish to offer any criticism of my hon. friends; I have no such idea in mind. All I am saying is that at any rate other countries have not treated the French people as the British have treated the French in this country. Surely it is worth remembering that if, by any chance, Canada became a part of the United States, the three millions of French speaking people in this country would be completely submerged in the 125,000,000 of American people. In view of that it seems to me that the people of Quebec must sometimes, in listening to the speeches of the hon. member for Labelle, ask themselves: whither is he leading us? It might be well also to remember that the independence of Canada, which is being advocated by some people to-day, would probably mean the gradual absorption of Canada by the United States.

Now, Sir—and I am reaching the end of my remarks; I have spoken perhaps a little more slowly than I usually do and have therefore taken more time than I meant to—we may as well remember that while other empires throughout the world were wiped out during the war the British Empire remained. The German Empire has been changed to a republic; the Russian Empire has had its whole form changed; and the Turkish and Austro-Hungarian empires have been broken up. And why is it that the British Empire remains probably stronger than it was before? It is because of the innate justice of the laws of that empire, the domestic ideals of its people, the generous treatment of dependencies, the honesty in public dealing, and the freedom of the institutions of Britain. Let me in this regard read a very brief quotation by Richard Washburn Child. That gentleman, an American writer, in a long article on the British Empire, published in the Saturday Evening Post, on January 22, makes these observations:

> Even the anti-British fanatics in the United States must have an intuitive sense that the world is a little more safe and orderly when Great Britain and her dominions are safe and well ordered.

And then a little lower down:

> We are forced to the conclusion, too, that since the war, sorely vexed, sorely menaced by conflict within and necessity for readjustments without, the British civilization, its mind and its action, have been on the whole liberal, trustworthy and splendidly courageous.

That is the opinion of an American, and it surely would be finer and nobler on the part of all Canadians—the member for Labelle and the rest of us—to acknowledge the blessings which the world has received through Britain rather than be continually harping upon the mistakes which Britain has made, and perhaps pulling rather a long bow in harping upon those mistakes. We should not forget that if in this country we sow the seeds of disunion, dissension and intolerance, we will reap defeat. If, on the other hand we sow the seeds of unity, confidence enlightenment and patriotism, we will garner the fruits of a happy, prosperous and united Canada.

In closing may I say in regard to the amendment, that I believe it to be necessary, and that it might well be accepted by the government in view of the contradictory statements which have been made by various speakers on the question. The hon. member for Labelle and the hon. Minister of Justice have rather given me the impression—if they have not stated it emphatically—that this amendment is not necessary. On the other hand the Prime Minister of Quebec is very explicit in wanting to retain those privileges which we possess at the present time. I will just quote a few words from Mr. Taschereau which I have here. The date is January 14, and the extract is from a report of a meeting of the previous day. Mr. Taschereau said on the occasion referred to:

> I think that fidelity to our British ties is necessary for our national survival, that we should zealously watch over its preservation and that we are not ready to leave it to a majority of the whole of Canada to say, without the consent of our province, what its future constitution should be.

That is the opinion of Mr. Taschereau. The hon. member for Labelle, I presume, thought he was insulting Mr. Taschereau when he called him a "Tory of the Tories," and said that he did not speak for the province of Quebec. I submit that the Premier of the province of Quebec, no matter who he may happen to be, certainly has as much right to speak for the province of Quebec as my hon. friend. And it may be added, perhaps, that in this day of rather extreme radicalism throughout the world—not only in Canada, although perhaps less in Canada than elsewhere—a little Toryism, if you will, is rather a good thing in order to counteract some of that extreme radicalism.

But to my mind this amendment is necessary if we are to retain the rights of the different

parties under the pact of confederation. That pact was an agreement and arrangement between different parties, and I do not know that this parliament, or any part of the Dominion, would have the right to change that pact without the consent of the other parties to it. That is virtually the idea which the amendment of my hon. leader expresses.

Therefore, Mr. Speaker, in closing, I wish to say that I shall support the amendment. I am not supporting it in any spirit of colonialism or with any idea of the subordination of Canada to other parts of the empire. I am supporting it because it is based on justice and fair dealing as they relate to the parties to the compact of confederation. I say, Sir, that no matter what our ultimate destiny may be in Canada, that destiny will be a happier one if it is attained finally through honourable and fair acts—honourable and fair not only to the peoples throughout our own country, but to the other peoples of the empire and of the world.

Mr. ADSHEAD: Did not the leader of the opposition say in presenting the amendment that it was to be regarded as a vote of want of confidence?

Mr. MANION: That may be but the Prime Minister stated, if my hon. friend will remember, that if the House did not want it to be so regarded, he would not consider the amendment as a want of confidence motion.

Mr. ADSHEAD: But the leader of the opposition said it was a motion of want of confidence.

Mr. MANION: I submit that if the Prime Minister accepted the amendment, it could hardly be taken as a motion of want of confidence.

Mr. H. C. HOCKEN (Toronto West Centre): I have two criticisms to make of the report and the action of our representatives at the Imperial conference. The first criticism is that practically the whole time of the conference was employed in discussing academic questions, while our representatives were faced with great practical problems upon which the prosperity of this Dominion and of the empire depend. Of course, men have different types of minds; and for me it is rather unfortunate that our two representatives at that conference were students of constitutional law and, perhaps, not as fully equipped with such practical minds as seemed to be necessary for the work of the conference. I fancy if the Prime Minister had taken his Minister of Railways with him, or his Minister of Finance, or his Minister of the Interior, all men I think of a more practical turn of mind than the Minister of Justice and the Prime Minister himself, some of these practical problems would have received more consideration.

An hon. MEMBER: How about the Minister of Agriculture?

Mr. HOCKEN: I think I would leave him at home. The conference, Mr. Speaker, was faced with three great problems—inter-imperial trade, imperial defence, and immigration—and the Prime Minister has not brought back to us anything in the shape of a solution of any of these problems. It must be clear to all the members of this House that the welfare of this country, of Great Britain, and of the empire at large depends upon the solution of these three problems.

Take the question of inter-imperial trade, on which Mr. Coates laid so much emphasis in his speeches while he was passing through Canada. We are bound now to the empire by sentiment, a very powerful agency for holding people together, but our trade is running more to the United States than it is to Britain, and the influence of trade and commerce upon the relations of different states is almost, if not quite, as powerful as the influence of sentiment. One of the things that is going to bind the empire together is inter-imperial trade. We have in the United States, as Sir Alfred Mond pointed out not long ago, the greatest and most powerful economic unit in the world, exercising so much power that there is now in the process of creation on the continent of Europe another great European economic unit. We have the one firmly established; we have the other about to be established. In neither of those units does the British Empire figure, and if all the dominions are turned loose to deal with this, that, or the other great economic unit in a foreign country, the result cannot be anything but disastrous to the empire. There should, Sir, in my judgment, be established a third great economic unit within the British Empire. We have in the different portions of the empire all the resources that are necessary for civilization. We could form within the empire the most powerful economic unit in the world, surpassing that of the United States, surpassing anything that could be created in Europe. France and Germany and Czecho-Slovakia are now coöperating in the formation of another great economic unit, and if an attempt were made to improve inter-imperial trade relations, the welfare of this country and of all the other dominions, as well as of the mother country, would be

greatly advanced. More than that, it would add to the sentimental bond already existing, another bond that would secure the perpetuation of the empire, and not merely its perpetuation, but an increase in its economic and political power.

Judging by the statement made by the Prime Minister when he was leaving Quebec for the conference I took it to be his desire to make the empire stronger and stronger.

Mr. MACKENZIE KING: Hear, hear.

Mr. HOCKEN: But I think the Prime Minister was rather led away from that phase by what I might call some malign influences, and gave his attention at the conference to what seems to me, and must appear to anybody else who studies the report of the conference, a purely academic question. This country cannot go on increasing its trade and other relations with the United States, and decreasing its trade with the mother country, without that having an effect upon our political condition. The one thing that is necessary to make the empire enduring is to create a great British Empire economic unit, which is another name for inter-imperial trade and the closest possible commercial relations between all the different parts of the empire.

Mr. ADSHEAD: According to the statistics, the United States is our best customer. Would the hon. gentleman prevent our merchants from selling goods to the United States?

Mr. HOCKEN: I am not so foolish as to think we could prevent our merchants dealing with the United States. I do not know where my hon. friend gets that idea. We are not limiting the personal liberties of our people to trade here or there. What I am arguing is that this government and the governments of the other dominions should have all sat down at that conference and planned some way by which they could trade together to a larger extent than they are now doing.

Mr. COOTE: Would the hon. member advocate that we should trade freely between the different parts of the empire without tariff barriers?

Mr. HOCKEN: In other words, my hon. friend asks me if I am in favour of free trade?

Mr. COOTE: Within the empire.

Mr. HOCKEN: I am in favour of something of that kind, but I have not formulated my ideas so definitely that I can answer the question just as my hon. friend asks it. But I say that there should be an inter-imperial preference. That would be the first step, and from that you could work out, with every decade that passes, closer and closer relations between the different parts of the empire.

Mr. WOODSWORTH: Would the same objections to which my hon. friend has alluded apply in the case of the importation of American capital into Canada? Are we at all in danger of falling under the sway of the United States by having such a large American investment in this country?

Mr. HOCKEN: I think that the penetration of United States financial interests into Canada must have a very powerful influence upon our future. I do not know whether that answers my hon. friend's question. But as to preventing capital from coming to this country from any part of the world, I think that is an impossible idea. I would not propose anything of the kind, but I would do what I could to favour British capital coming into this country and having our great natural resources developed by British capital for the interests of the empire first.

The policy of the Conservative party, as I understand it, has not changed since the days of Sir John A. Macdonald. He was for Canada first, and the first interest of this parliament and of the people of this country is Canada. As has been said elsewhere, the people of Canada can do nothing of as great importance to this country as developing our own resources and making the country prosperous. If every dominion of the empire were prosperous, and all standing side by side with the mother country, with inter-imperial trade widely and firmly and soundly established, the whole empire and each and every part of it would be more prosperous. But that is a little in advance of my argument.

I think what should have been done at the conference was the laying of a foundation for a system of inter-imperial trade for the immediate benefit of all parts of the empire, and also having in view the binding of the different parts of the empire more closely together. Mr. Bruce stressed that very strongly on the question of defence when he was in Canada. I think it is the duty of this dominion, and the duty of every other dominion, to make some contribution to the defence of our empire. Whether it shall be a contribution to the imperial navy, or whether that contribution shall be made by way of creating a navy, as has been done in Australia, is a matter for deliberation, but we cannot get away from the obligation that rests upon

us of doing what we can for the defence of our own country. The idea expressed by the hon. member for Labelle (Mr. Bourassa) that we should go to the United States and say, "We are depending on you for the protection of our teritory," is a humiliating position for any state to put itself in. No self-respecting people will go to a foreign state and say: We cannot defend ourselves; we depend upon you to protect us. Surely the people of Canada are not going to put themselves in a position of that kind. Now, having regard to the forty minutes—

Mr. MACKENZIE KING: It does not apply.

Mr. HOCKEN: I know it does not, but it ought to. I want to submit a few ideas or thoughts on the question of immigration. I think that in that respect this government is open to very serious criticism, and that the conference is open to criticism. Something should be done at least to formulate, or to begin formulating, a scheme for transferring the surplus population of the mother country to this Dominion, and on the part of this Dominion there should be a more sympathetic recognition of the desire of the mother country to reduce its surplus population and still to keep them under the Union Jack. We can and we ought to bring from the British isles well on to a million people a year, and this country can take care of them. Instead of doing that, our immigration department for the last four or five years has been, as some person has remarked, a department of exclusion rather than a department of immigration. The conditions that are set up might very well be loosened to the advantage of Canada. I do not believe our regulations should prohibit a man coming to Canada unless he is going to work on a farm. I believe the British people have sufficient initiative, that once they reach a young country like this, with its abounding opportunities, they will find themselves placed in a very short time, and every family that comes to Canada makes that much more business for the people of Canada.

Mr. MACKENZIE KING: I understand my hon. friend to say that our regulations should not prohibit a man coming into the country unless he is going to a farm. I do not know that that is what he meant, but I think that is what he said. I am not aware of any regulations to prohibit anyone coming in from England.

Mr. HOCKEN: There is a regulation, Mr. Speaker, which I think prevents us encouraging to the extent of assistance any but agricultural labourers and domestic help.

Mr. MACKENZIE KING: Yes, but I wanted my hon. friend to correct his statement, because his words would imply that Canada was prohibiting other classes coming from England to this country. True, the assistance which we give is confined to certain classes, but that is very different from prohibiting other classes from entering.

Mr. HOCKEN: I thank my hon. friend for bringing the matter to my attention, but what I had in mind was that we should give assistance to all classes and not merely to agricultural labourers. I would give assistance to workingmen and to mechanics, believing as I do that every family that comes to Canada makes sufficient work for others to make up for any labour that may be performed by them.

Mr. McGIBBON: Is it not a fact that to-day we cannot get people into this country from northern Italy under practically any conditions, unless we get a permit from the department?

Mr. HOCKEN: I have found it pretty hard to get permits for anybody to come in, but that is a side of the subject that I do not think it is necessary to go into.

Mr. WOODSWORTH: What would happen in the case of trades which are already overcrowded? Suppose that mechanics were to come here and engage in those trades, would it not add to our volume of unemployment?

Mr. HOCKEN: No, I do not think it would. I think if you place ten thousand families in Canada, the needs of those ten thousand families will make up for any employment they engage in.

Mr. EDWARDS (Frontenac): No industry has a greater surplus of production than agriculture.

Mr. HOCKEN: I think that is correct, because they are constantly leaving the farms. I point out to my hon. friend that more people are leaving the farm than are leaving any other form of industry. That must prove that there is a surplus production on the farm.

Mr. COOTE: Then why bring in more agriculturists?

Mr. CHAPLIN: That is what the government is doing. Ask the government that question?

Mr. HOCKEN: That only strengthens my point. I would bring in every British settler who is in good health and able to take his place in the economic life of this country.

Mr. FORKE: And assist them?

Mr. HOCKEN: Yes, and their presence here would increase the prosperity of all classes in Canada. I think we need a new immigration measure. My hon. friend has been Minister of Immigration for a short time, and from his exertions I hope the country will fill up more rapidly than in the past, when the country was left without a minister, having merely an acting minister, and the officials not able to decide policies. The department being without a head could not function efficiently. However, I believe my hon. friend is seized with the necessity of filling up the country, and will do his best, whether it is going to be as good as it ought to be or as good as it might be is a matter to determine in the future. I give the minister credit for desiring to do his best. I venture to say when the conference met no person in this country was fretting about our status. There was no talk of our status, except by a few separationists like John S. Ewart, and the Native Sons of Canada who want to cut loose from the British Empire every time they hold a meeting of the lodge, just a mere handful of people who are looking for a new declaration of status. The great mass of the people were not concerned about it at all and are not now concerned.

Mr. COOTE: Has the hon. member any good authority for making that statement about the Native Sons of Canada.

Mr. HOCKEN: I have this authority, that almost every month I receive a resolution from some organization. I do not know whether that would be sufficient proof for my hon. friend or not. I have received resolutions of that character from Calgary, Vancouver and Toronto, passed by the Native Sons of Canada and they are all of the character I have described.

Mr. GARLAND (Bow River): I am sure the hon. gentleman does not wish to be unfair and leave the implication which his words would leave on members of the House, when he says that the men who are interested in the status of this country except as a mere academic question are naturally separationists.

Mr. HOCKEN: I would not go that far. I think there must be some who are interested —some of the academic mind of my hon. friend, who like to delve into constitutional problems and puzzles.

[Mr. Chaplin.]

Mr. GARLAND (Bow River): There are real Canadians who are interested in the status of this country outside of academic questions, and I resent the suggestion of the hon. member. I think it is most unfair.

Mr. HOCKEN: I do not think so, I think the men of practical minds who want to solve the problems of the country are not the ones who are figuring about our status at all. They are not the ones who want to break any of the bonds that bind us to the mother country. They think in the best interests of Canada we should remain a part of the British empire in perpetuity. At least, that is my idea. It is not necessary that I should read this italicized paragraph in the report. We all know what it sets out, but it does not set out any more than Sir John A. Macdonald proposed at the time of confederation. I have a quotation from Sir John A. Macdonald, taken from the confederation debates, in which he said:

> Instead of looking on as a merely dependent colony, England will have in us a friendly nation to stand by her in North America in peace as in war.

There are some who would like to strike out the last three words.

> The people of Australia will be such another nation, and England will have this advantage, if her colonies progress under the new colonial system as I believe they will: that, though at war with all the rest of the world, she will be able to look to the nations in alliance with her and owing allegiance to the same sovereign, who will assist in enabling her again to meet the whole world in arms as she has done before.

Sir John A. Macdonald was something of a prophet when he made that statement, because on two major occasions the Dominion of Canada has stood beside the mother country in war and, in my opinion, will be prepared to stand beside her again if the integrity of the empire is threatened.

It appears to me that when the time of the conference was spent in order to get this declaration, a great deal of aid and comfort was given to those dominions which want to separate from the empire. Just how much influence Premier Hertzog of South Africa and Premier Cosgrave had in directing the trend of the discussion, I do not know. But the conference has done something which puts each of these two dominions into the position of being able to say any day that she is an independent state; that she has no connection with the British Empire or with Great Britain. From the statements which have been made by both of those prime ministers, I do not think any man can have a reasonable doubt but that their aim and purpose is to separate from the empire.

Mr. Hertzog says that the British Empire is now a mere name. That statement does not look as though he had very much interest in the empire or that he thought South Africa had very much interest in it. As for the Irish Free State I think we are all pretty well convinced that at the first favourable opportunity an Irish republic will be established owing no allegiance to the empire, not recognizing the king as their sovereign, and setting out to make alliances with foreign nations, nations that are foreign to Great Britain and, quite within their rights and powers, to make alliances offensive and defensive with the enemies of the empire. I do not think I am misstating the sentiments of the Irish Free State when I go that far. What we have done in this document is to put the Irish Free State and South Africa into a position where they can at any time they please realize that ambition. Before this declaration was made, there was a slight bond preventing that; they would have had to create a revolution in order to separate from the mother country. But with this declaration standing as it is—and I conceive it to be irrevocable—there is only one further step for any dominion to take to separate itself from the mother country and from the empire. Therefore the conference played fully into the hands of those two prime ministers representing dominions which are not very favourable to the continuance of the empire.

Mr. ADSHEAD: Would the hon. member keep the dominions within the empire by mere force and not by bonds of friendship?

Mr. HOCKEN: I do not think any dominion can be kept in the empire by force. I may not have a very keen mentality but I have sense enough to realize that. The situation before this declaration was made was different from that which exists to-day. Speaking for Canada this declaration means nothing at all; it does not add to any liberties or freedom that we had because, starting from the time of confederation, the most responsible statesmen we had declared the position of Canada to be practically what this conference says it is. Therefore our freedom has not been extended.

But there is a marked difference between having an unwritten recognition of our rights, our status and our freedom, and having a written declaration. Prior to this time Canada has not suffered in its liberties. Every person in this country knew that the British parliament would at any time have said to this Canada: If you want to join the United States, there will be no compulsion from this side of the water to prevent you. This country has been free at any time it chose to go into annexation with the United States republic. Yet that was not declared. Now it is declared, this declaration puts us into a position where we can say to Great Britain: Well, we are going to change our political status; we are going to join with the United States instead of remaining with the motherland. I want if I can to emphasize the point that this country, before this declaration was made, was in a much better position as a part of the empire to remain a part of the empire, and that this declaration does not add anything to our freedom.

I am one of those who believe that Canada has been not only free but under no compulsion ever since confederation to do anything the British government wanted or would try to compel us to do. We have been fairly well a dutiful daughter of the empire, and that is the relationship which I think ought to persist practically as long as we last. These definitions of our status serve materially to encourage all those who believe in Canadian independence, all those who would like to cut the bond that binds us to the mother country. I would be mistaken if they did not become more active now than they have been in the past. We have had a good deal of propaganda in that direction, but it has not met with much success. The people of Canada are too firmly convinced of the wisdom of continuing under present conditions rather than of becoming an independent nation, but this declaration enables us to do anything we like at any time.

There has been some talk about the amendment of the British North America Act. This declaration of status puts this parliament into the position of changing the British North America Act at any time and in any way it chooses. My right hon. friend says that the British North America Act stands where it always stood. That is not the case. Any parliament in the future, ten, twenty, thirty or forty years hence, has only to bring that declaration into this House to enable it to change the British North America Act, or to change any other act, or to pass any law which the majority of this parliament representing the people of Canada desires to pass. It must be remembered that the report states that the dominions are:

> In no way subordinate one to another in any aspect of their domestic or external affairs.

If that be the case and if that view be taken by some parliament in the future, we can amend our present constitution in any way at all. There can be no escape from that.

Mr. COOTE: That will be fine.

Mr. HOCKEN: That is perfectly satisfactory to my hon. friend. Since this declaration has been made and is irrevocable we have to face the situation, and it will be for the people of Canada, who still believe that the British Empire should be strengthened rather than weakened, to play their part in the political life of this Dominion in such a way as to ensure that separation shall not take place.

Mr. COOTE: Does my hon. friend argue that we should be in any inferior position and not on an equality of status?

Mr. HOCKEN: We have never been in an inferior position. In the confederation debates Sir John A. Macdonald spoke as I have quoted him, and his argument always was that the acts of this parliament were supreme, as indeed they have been proved to be by the fact that no attempt has ever been made by the British parliament to disallow any of them.

Mr. MORIN (St. Hyacinthe-Rouville): How is it that for many years commercial treaties in behalf of Canada were made by Great Britain?

Mr. HOCKEN: If it comes to that, I think that any commercial treaties made by this parliament even now would require the signature of the king.

Mr. MORIN (St. Haycinthe-Rouville): On the advice of his Canadian ministers.

Mr. HOCKEN: No commercial treaties made on behalf of Canada have ever been repugnant to the Canadian people, so that in that respect we have been as free as in other directions.

Mr. ADSHEAD: What about the Colonial Laws Validity Act?

Mr. HOCKEN: Now, these are the two major criticisms I have to offer. In the first place, the time of the conference was not employed to the advantage of this country and the rest of the empire, as it might have been, and real practical problems were not discussed. No attempt was made to begin the solution of them, and these problems are the things that are of importance to Canada's future prosperity rather than any new declaration of our status. In the second place, our representatives at the conference coöperated with the representatives of South Africa and the Irish Free State to put those two dominions desiring to bring about the disintegration of the empire in a position to do so at any time they choose.

[Mr. Coote.]

I want now to refer to the remarks of the hon. member for Labelle (Mr. Bourassa). And by the way, my hon. friend from Frontenac-Addington (Mr. Edwards) has been criticized because he presumed to reply to that hon. gentleman. Let me say that so long as attacks of the type made by the hon. member for Labelle are launched in this House they will be answered, and the fault, if fault there is, is not with my hon. friend from Frontenac-Addington but with the hon. member for Labelle, who started the controversy. He was most offensive in his remarks and to have allowed him to get away with it would have been a shame. A good deal of his speech must be taken with little credence. For example, he quoted Lord Cave as having come here for a certain purpose and having done certain things, and two days afterwards we have a denial from Lord Cave to this effect, "There is no foundation for it whatever." That is to say, there is no foundation for the statements of my hon. friend from Labelle. The hon. gentleman also quoted Lord Fisher as having made some statements which would be strikingly absurd coming from a British admiral. But Lord Fisher is dead and cannot make any denial. Now a man who repeats, in the public manner in which my hon. friend repeated in this House, a private conversation of such a character, is in my judgment lacking in the first principles of gentlemanliness. Private conversations should not be repeated here, and especially the private conversations of a dead man.

I am for the British Empire and I am for a continuance of it. I am for the continuance of Canada as part of the British Empire, and I would strengthen rather than weaken the bonds that now bind us to the mother country. I have a vision of this country when it is populous, prosperous, and powerful, perhaps with a hundred millions of people, still standing beside the mother country shoulder to shoulder, because of what the mother country has done for us and what the mother country has done for the world. Great Britain has given liberty to the world, and in my opinion this country will make its largest contribution to civilization, standing side to side with the great empire of which we form a part and thus contributing still further to the welfare of humanity. We have inherited Britain's splendid traditions and I believe it is the most glorious destiny into which we can come, a hundred years hence, to be still a part of the British Empire, perhaps the most populous part of the Anglo-Saxon sections of it, perhaps the most pros-

perous part, perhaps the most powerful part, but still a part, recognizing where the head and heart of the empire is and still standing loyally by British traditions.

It is not necessary for me in my humble way to pay tribute to Britain. Let me rather content myself with quoting an eloquent and just tribute paid by a great Frenchman, Victor Hugo, who, standing on the shores of his native land and looking over the English channel, wrote thus:

Over that sea, in calm majesty, lies the proud isle whose existence consoles me for a thousand continuous crimes, and vindicates for me the processes of Providence. Yes, yes, proud England, thou art justly proud of thy colossal strength—most justly of they proudlike repose. Stretched upon the rock, but not like Prometheus, and no evil fiend to rend thy side, rests the genius of England. He waits his hour, but counts not the hours between. He knows that it is rolling up through the mystic gloom of ages, and that its chariot is guided by the iron hand of destiny. It will come, it is coming, it has come. The whole world, aroused as by some mighty galvanism, suddenly raises a wild cry of love and admiration, and throws itself into the bounteous bosom of England. Hence forth there are no nations, no people, but one. Undividable will be the world, and the world will be one England. Her virtue and her patience have triumphed. The lamp of her faith, kindled at the apostolic altars, burns as a beacon to mankind. Her example has regenerated the erring, her mildness has rebuked the rebellious, and her gentleness has enchanted the good. Her type and her temple shall be the Mecca and the Jerusalem of a renewed universe.

Mr. L. S. RENE MORIN (St. Hyacinthe-Rouville): However much we may differ regarding the resolution now before the House we can all agree, I think, with the noble sentiments expressed so eloquently by Victor Hugo.

The question of the relations of the various parts of the British Empire inter se and of the relations of each part to foreign countries was the main question considered at the last Imperial conference. It is one of great importance as it involves the destinies of the whole of the empire, and is delicate to deal with because, in the study of this problem, we find no enlightenment in precedents. History has never known such relations and we are handicapped by the rules of international law which have not provided for such conditions.

It is not my intention to study in detail the terms and bearings of each part of the resolutions which were adopted at this conference, I will confine my remarks to a few general ideas on the matter, which in my mind must have been some of the guiding principles of our representatives at this conference and should form the basis of any future developments. The problem which our representatives had to face was to conciliate conditions apparently contradictory, the condition of peoples enjoying their full freedom, claiming full sovereignty and desirous of becoming international persons in the family of nations, with an association or union of a group of sister countries under one nominal head, carrying with it certain restrictions to the rights and liberties of its members.

The evolution of Canada from a crown colony to her present international position has been slow but gradual, steady and inevitable. There were apparently only three solutions to the problem of her relations with the mother country, that is, subordination, federation, or separation.

Subordination was possible for a time, but it could not last. Canadians of English descent who immigrated into Canada were not subject to any degradation; they preserved absolute equality of citizenship with those of their compatriots who had remained on the shores of the mother land; they could not submit for long to a status of inferiority and as their political and economic needs increased they were bound to claim the right to settle them by themselves and in the light of their own interests. As the sense of devotion to the country of their choice or the country of their birth developed in themselves, they were bound to throw off all bonds of inferiority or subordination.

French Canadians who had elected to remain in the land where they were born and which they loved had perforce to submit for some time to domination, but they were also bound to claim for themselves the right to solve their own problems; government by Downing Street or by its officials was even more unbearable to them than it was to their compatriots of British origin because it was a foreign yoke.

The troubles and difficulties to which a government by domination gave rise in Canada led certain British statesmen to consider Canada as a millstone around their necks, to lose interest in her welfare and development and to grant her responsible government, avowedly as a first step to separation and independence. It was shortly after this period that a policy of imperial federation began to be preached by certain British statesmen, and the idea took root in the minds of many people in both Great Britain and Canada. The idea of an imperial federation evoked the formation of a political union between a group of countries dispersed throughout the different parts of the world,

rich in natural resources and raw materials susceptible of enormous development, and which, closely and indissolubly united, would take a somewhat predominant place among the nations of the world.

The dominating influence of such an agglomeration of nations was bound to be, for a long time to come, with Great Britain, and naturally her public men were the most enthusiastic protagonists of this new policy, although it had many adherents in the dominions. To many people patriotism meant devotion to the country of their birth or the country of their ancestors; to them Britain was yet the home country and her wealth, her prestige and her power were looked upon by them as their own, even though they had no participation in her government. Any kind of representation in the government of this federation would satisfy them. Others, however, felt that in such a federation the dominant role would belong to one of the parties and that the position of the others would be of secondary importance; that by such a federation they might be involved in the turmoil of the quarrels and jealousies of the European states with which Great Britain is geographically and economically so intimately connected; that they might be embroiled in mandates, protectorates, extensions of territories and sometimes conquests in which they would have no particular interest and that, on account of the diversity of needs of the different component parts of this federation, a centralized authority might force us to sacrifices which might be unnecessary and prejudicial, consequences which it was best to avoid in every possible way.

Truly imperial when considered from a British point of view, such a federation when applied to countries so far apart, with interests so different and sometimes so contrary, could only mean subordination, inferiority and sacrifices for the citizens of certain of its component parts, so this project of a federation did not materialize, and there remained the third solution, that of separation.

There is in the mind of every human being a tendency, an aspiration, a natural instinct to enjoy the fullest freedom possible; sovereignty, which applying to states means national freedom, is just as much a natural aspiration as individual freedom. This natural instinct which kept us away from federation was bound to draw us towards separation and independence, but in our case these natural and normal aspirations were tempered or mitigated by many factors; ties of blood, ties of affection, common idealistic traditions and a common outlook on public affairs, which called for the maintenance of a solidarity inconsistent with separation. The attainment of manhood renders tutelage odious but does not release the bonds which unite a family together; so attainment of nationhood calls for the removal of all bonds of inferiority, but does not in any way, when these bonds are taken off graciously, alter the sentiments of affection and the spirit of coöperation which unite the members of one family together. So Canada, when she attained nationhood, acknowledging her filiation to Great Britain, could not claim her independence nor wish for separation, and none of the dominions were ready to cut off the ties which bound her to the mother country. Each of them naturally aspired to unfettered freedom and liberty but was ready and anxious to maintain with Great Britain bonds of coöperation entailing a large amount of solidarity, provided these bonds be not imposed forcefully but be voluntarily agreed to as between equals and in the common interest.

Subordination, federation and separation have been left out as a solution of the problem of the relations of the different parts of the Britannic commonwealth, and these relations have taken the character of a partnership, or more accurately, since there are no written undertakings, of an entente which, whilst maintaining the full freedom and liberty of its component parts in all matters domestic or foreign which relate to their own particular interests, yet unites them to preserve the integrity, the influence and the prestige of the whole. Under this system the empire has evolved from a single state to a group of states and the advantages of federation, without its dangers, are being made consistent with the fullest national aspirations and the greatest freedom.

In all matters relating to the internal government of the country, the rights and liberties which are the appanage of independent and sovereign nations have been de facto, enjoyed by the self governing dominions for a long time; and within a few years these rights and liberties have been extended to foreign relations. Thus Canada took part in the negotiations of the Peace conference, signed the treaty of Versailles and entered the League of Nations with the standing of a complete sovereign nation. She has negotiated and signed other treaties through her own ministers, has contracted treaties in the name of the king acting on behalf of Canada—as distinct from the king acting on behalf of the empire—she has made treaties respecting the delimitations of her frontiers, she asserted her freedom from the responsibilities assumed

by the British government without her participation; and has enjoyed in one case, and may have the right whenever she chooses to exercise it, her own diplomatic representation; in a word she has acted as a nation with full powers of sovereignty. This is a state of things which should have satisfied the legitimate desires and ambitions of all liberty loving and patriotic citizens, but there was still lacking a full understanding and acknowledgment by foreign nations. The resolutions adopted at the Imperial conference have given sanction to these rights and have been a notification to foreign nations of this new status and constitutional freedom. Foreign nations had been slow to grasp such a constitutional development, deceived as they were by the theory of the written law, in many ways inconsistent with this situation.

Mr. WOODSWORTH: Does the hon. member take the ground that the notification to the foreign nations of this new standing will be effective without resolutions of ratification passed by this House?

Mr. MORIN: I think that the resolutions passed at the Imperial conference, accepted generally as they were by Great Britain—in her case so emphatically—and by representatives of the British dominions, are a sufficient notification to the other countries of the world that we have been granted a new status.

Mr. WOODSWORTH: Without any acceptation by this House?

Mr. CHAPLIN: Or by the parliament of Great Britain even, or by any other parliament?

Mr. MORIN: Well, we are accepting them.

At one o'clock the House took recess.

The House resumed at three o'clock.

Mr. MORIN (St. Hyacinthe-Rouville): Mr. Speaker, when the House rose for recess the hon. member for Winnipeg North Centre (Mr. Woodsworth) had asked me whether I thought that the decisions of the Imperial conference as to the status of the dominions would be accepted by foreign nations without the approval of the parliament of Canada or of that of Great Britain. I had answered him that these resolutions having been unanimously approved by the representatives of all the dominions and by the British government, foreign nations could not properly require a more emphatic statement of the situation. But apart from that, I may say that approval by the parliament of Canada would not give to the decisions of the Imperial conference any more weight unless they were approved also by the parliament of Great Britain and by the parliaments of the other dominions which took part in this conference over which we have no control.

Mr. WOODSWORTH: Just to be clear, does the hon. gentleman really take the position that the representatives at the Imperial conference could commit this country to a certain line of action without any reference at all to the parliament of Canada?

Mr. MORIN (St. Hyacinthe-Rouville): We must make a distinction. There were no active obligations undertaken at the conference in the name of Canada. There was merely a declaration of our new status. That is the purport of these resolutions. They do not carry any new obligation that I know of. These resolutions, moreover, have left unsettled a certain number of points which were referred to in the very remarkable speech made by a colleague of the hon. member for Winnipeg North Centre sitting on this side of the House; they have left unsettled certain conditions which are the last vestiges of our colonial days, and a formal approval of these resolutions by parliament at this stage might give to these conditions a character of finality which is not to be desired.

The views which I was expressing, Sir, were that the resolutions adopted at the Imperial conference had acknowledged that we had the right to exercise practically all the functions of a sovereign state, but that these yet lacked the full sanction and acknowledgment by foreign nations, and the importance of these resolutions lies in the fact that they were a notification served upon foreign nations of our new status and constitutional freedom. Foreign nations had been slow to grasp our constitutional development, deceived as they were by the theory of the written law, in many ways inconsistent with such independence, but which under the unwritten constitution of Great Britain is superseded by usage and practice. There was need of a public pronouncement in respect of this new status, and it was the main mission of the last Imperial conference to make it.

There are, and there will be for some time yet, different schools of thought in the dominions on this matter of the relations between the component parts of the Britannic commonwealth, and it seems an anomaly that these resolutions should have been commended

by practically all groups. The inconsistency is more apparent than real, because, as a matter of fact, these resolutions do not fundamentally change our relations with Great Britain or the other parts of the British Empire; they do not create new rights; they definitely sanction rights already exercised and acquired; they raise the international standing of the dominions to a status of equality with that of Great Britain, and they alter accordingly the forms and proceedings of their relations. They cannot be read as meaning in any way a parting of the ways from the commonwealth, but the nature of the ties which unite the dominions to the mother country has lost any character of inferiority or subordination which existed in the past, to take up the character of an association between free countries, entered into voluntarily for their mutual benefit. Such a modification could only respond to the expressed or latent sentiments of all citizens having in their heart a natural and normal aspiration to manhood and to nationhood; it means no disintegration of the empire; on the contrary, if I am not mistaken, it will produce more cohesion. It could not therefore but satisfy all shades of opinions, all of which could find in it some comforting features.

The importance of these resolutions cannot be minimized. Their publication made a tremendous sensation throughout the world as was shown by the commentaries of the foreign press, and there was everywhere a ready disposition to recognize the new international standing of the dominions, and to alter relations accordingly.

One of the keenest students of the British constitution and of things Canadian, Mr. Lawrence A. Lowell, the president of Harvard University, in an article published in the April number of Foreign Affairs expressed the following appreciation of the consequences of these resolutions.

As a result of this conference he says that "the self-governing dominions have become legally and politically, in both domestic and foreign matters, independent states"; they have been brought "to a condition of full constitutional independence." These resolutions are "a notice that the dominions have come of age, have full rights of citizenship among the states of the world, and are to be treated accordingly." But the "spirit of coöperation remains strong," he adds, and as a result of the work of the conference "the cohesion of the different parts of the empire will become stronger rather than weaker."

[Mr. L. S. Morin.]

I concur in these conclusions, Mr. Speaker, and holding these views I can only look upon these resolutions as of momentous importance, as marking an epoch in the history of our country, and commend the work of the Prime Minister and his colleague the Minister of Justice (Mr. Lapointe) at this gathering.

Mr. G. R. GEARY (South Toronto): Mr. Speaker, it will probably not be useful to the House for me to make any remarks at this stage of the proceedings in the discussion which has your attention, but I feel that this is one of the most important matters with which we have to deal during the present session. While there is not a report before us for adoption or rejection there are embodied in the discussion ideas which have to do with our very existence as part of the British Empire. I do not hesitate to say that I am of those who feel that we must not in any way, by thought or deed, interrupt in even the slightest measure the continuity of the connection of this Dominion with the British Empire, that we must go on for all time an indissoluble part and parcel of that empire. I look with a great deal of apprehension upon reports such as this which deal with so important a subject, and yet are not considered worthy by those who present them to be the subject of a motion in this House. If, as has been truly said, I take it, the Prime Minister and his colleague, the Minister of Justice (Mr. Lapointe) were merely in conference with representatives of other parts of the empire, without their deliberations or conclusions having any binding force, then the documents we have before us as a report of the Imperial conference could carry no sanction for any action to be taken. That seems to be agreed upon. However, it was brought back as an achievement, as something that our representatives at that conference had been able to get for us. It was represented as being a new charter in fact, and as far away as the Dominion of South Africa we heard from the Prime Minister of that British dominion that it meant the end of the British Empire. When views so divergent concerning the results of this conference have been expressed by our friends in South Africa, our friends in the Irish Free State, and our friends, the constitutionalists, who are so ready to inveigh against the principles of our constitution, we should have something concrete and definite with which this parliament might either agree or disagree. Even to have brought in a report which has no sanction, which does not carry with it the endorsation of parliament, and which is

met without any response, and left on Hansard, or on the records of the House in the terms in which it was brought to us, must, it seems to me, carry some implication in the future. We cannot tell how this matter will be taken up in time to come. It may be argued from this deliverance which has been brought back to us that this may be the case or that may be the case. Who is to say? If it is only a report, the presentation of which elicits no response, and which is denied the endorsation of the House, then I say it would have been better never to have been written at all. If it has been placed before us by the Prime Minister and has become a part of the records of the House, then I think the House should declare that it does not agree either with what different people in South Africa have said about it, or what anyone in the future may care to deduce from the words of that report. To my mind the amendment of my hon. leader (Mr. Guthrie) suggests the only way of dealing with the subject at the present moment. That is, if there are implications to be drawn from the report, we should deny them and say that this House is not bound by any implication to be drawn from that report. It seems to be sound common sense that we should be on record in some such way as that. Personally I am not afraid of imperialism, either the imperialism which some of my hon friends to my left, who do not altogether deny that they are of the communist party—

Mr. WOODSWORTH: The hon. member has referred to some of us who spoke earlier in the debate and has implied that we are in allegiance with the communist party. I want to say emphatically that we have no connection with the communist party, and I would ask the hon. member to withdraw the statement he has made.

Mr. GEARY: I am very glad to welcome the denial that my hon. friend has given. I am only suggesting, while he may have no allegiance with that party, that the views he is called upon to express at times are I think rather in sympathy with the views of the communist party.

Mr. WOODSWORTH: Oh, no.

Mr. GEARY: I am glad to have that assurance. That leaves it in a more or less definite form. Be that as it may, there is a certain school of thought, communist or otherwise as you may call it, which distrusts imperialism, because imperialism means to them the setting of the workers of one country against the workers of another, and they fear the term "imperialism," because imperialism to them does mean that the common interests of the workers of a country are perhaps interfered with by that sort of imperialism which demands that the material interests of the workers of one country shall involve the interests of the workers of another country. That is the imperialism of my hon. friend. The imperialism objected to by my hon. friend from Labelle (Mr. Bourassa) is that which would involve the Dominion of Canada in war. That is a fetish with him, almost an obsession. He seems to visualize some condition in which the Dominion of Canada is to be drawn into a war. Where the Dominion of Canada has gone into a war, an imperial war if you like to call it such, she has gone into it wholeheartedly, with the assent of the people through their representatives in parliament. I am free to subscribe to this: that if the occasion should ever arise where the interests of the British Empire are involved, and in which we feel we are interested and should take part, then no one but the representatives of the people here in parliament should say whether or not we should take part in that war. I do not subscribe to any doctrine which says that the people of the country should be called upon to decide it, but the elected representatives in the House of Commons in this country should be able to decide the matter, as they have always done in the interests of Canada. I do not say that every war that occurs in which the empire is concerned necessarily involves Canada, but there may be wars in which we have such a vital interest, even if it does not touch our shores, that the people of Canada will rise to say that we must take our share in imperial defence or otherwise as the case may be.

Mr. ADSHEAD: As citizens of Canada, are we not at war when Britain is at war, no matter whether we go to war ourselves or not?

Mr. GEARY: My hon. friend is quite right. It is almost a truism that as we are a part of the British Empire when the empire is at war we are at war, and I think nobody will find fault with that declaration. The Dominion of Canada has risen from a small beginning to a mighty place among the nations of the world. It has risen as part of the British Empire. It depends for a great deal of its force and effect throughout the world upon the fact, not that it is an independent nation or that it has an independent status, not that it can be said to be separated from the British Empire, but, as I said before, because it is always indissolubly a part of the British

Empire. If my hon. friend has any fear that the design of those who advocate continuity of membership in the British Empire, is to look forward to some controversial occurrence, such as a war, he is mistaken. We are not looking for such a thing, or advocating it. There is no such thing as the militarist or jingo spirit existing on this side of you, Sir, but we do feel that we cannot sit as members of this House—and I speak for myself now—and remain content always accepting the position that although we may be bound to take care of our own shores, we are not bound under any circumstances to protect ourselves by land or sea elsewhere on this globe. I am one of those who feel that if the conference report means anything, it means that we have attained to such a position that we are in a sense, not necessarily autonomous, but independent, so that for instance in case of war we cannot be called upon for contributions by way of taxes or anything of that sort. We are of course autonomous in that sense, but I cannot understand a relationship which disclaims any dependence upon the British Empire, but which is still content, without assuming one cent of the expense, to accept the protection of the British Empire even when our interests are vitally concerned in other parts of the world.

I do not approach this subject in any partisan spirit. That is not my object in saying what I have to say. I feel deeply that such conclusions as have come before us crystallized in the report of the Imperial conference will, unless we are very careful, tend in the direction of the separating, if you like to call it so, in one sense or another of this dominion from the rest of the dominions of the British Empire. That is why I dread to see part of our constitution put into writing. Except in so far as the British North America Act may be considered a written constitution, we have lived not under a written constitution but under a constitution that has grown up from precedent to precedent. It has been satisfactory so far, and for that reason I dread very much seeing put into writing any declaration of our constitutional or any other kind of status, especially when we know perfectly well and have known since the war and long before, that nowhere is there an intention to interfere with us in our external or internal affairs; that England, while she might be very sorry and hear with regret of any determination on the part of this country to sever itself from the empire or from the homeland, would raise neither hand nor voice to deter us from so doing if that was our sincere wish and desire. We have been independent in that sort of way for many long years, and nothing was required to be put into writing at this stage to declare what we already knew well. That has been one of my objections to this Imperial conference report, that we are reducing to writing something of which we do not know the meaning, something which in the future may be construed for or against this view or that so that no man knows what the result may be.

What is the answer to that? The answer from the other side of the House is that the report does not bind in any way; that it is simply an arrangement reached by those attending the conference; that it does not involve Canada or the House of Commons. If that be the case, why was it done? If it was meant to be a record of attainment to be crystallized into something that the people could look at so as to see what was done, we should have that statement from the government. As it stands now it is on the records of this House without any sanction at all, and the only sensible course this House can take is to adopt the amendment moved by my hon. leader (Mr. Guthrie) stating definitely that, no matter what the report may say or what inference may be drawn from it, it does not mean certain things as are set out in my hon. friend's amendment.

We are to-day faced with the situation that we have in the empire of China a danger to many of our nationals, how many I do not know. I have heard it stated that there are as many as six thousand. I do not care how many there are, they are just as much entitled to the protection of their lives and property if they be only one hundred as if they be one thousand. We are, as I understand the matter, not taking any steps directly in regard to that situation. If we are independent, if there is an autonomy, a status of sorts that relieves us of obligations to the British Empire and the empire from obligations to us and dissociates us from any responsibility as members of the British Empire, we would be at this time taking some steps to ensure that the lives and property of our nationals in China were protected. There are missionaries, business men and others there, with their wives and children.

Mr. COOTE: What does the hon. member consider a national? I do not understand that we have any such persons there as Canadian citizens.

Mr. GEARY: I am not going to stick at the question which the hon. member is asking in good faith. When I speak of nationals I perhaps do not use the proper term. I mean Canadians. My hon. friend knows many

of them personally. I know many who have gone from my city and other parts of my province and who are engaged in activities of one sort or another in China.

Mr. COOTE: In an international sense would they not be considered simply British subjects and not Canadians?

Mr. GEARY: I am not, as I say, sticking at a word. Let us admit that they are British subjects. Does that mean that the Dominion of Canada, by the mere fact that those people are known as British subjects, is relieved of all responsibility as regards the protection of their lives and property? That is the point I am making. Others know much more about this matter than I do; the government is more closely in touch with the situation, and I am not suggesting that they should send a force or anything of that kind. My point is that we are leaving those lives and that property to the protection not of Canada but of the British Empire.

Mr. WOODSWORTH: Is it not conceivable that the lives of Canadians in China would be a great deal safer if there were no British gunboats threatening Chineses ports?

Mr. GEARY: That would lead to an academic discussion.

Mr. WOODSWORTH: I am serious, but I do not insist on an answer.

Mr. GEARY: I know the hon. member is serious in what he says, but I believe his view is mistaken. I do not believe the arts of peace extend that far. From what I have read of proceedings in China, the presence there of United States as well as British gunboats has had a considerable effect thus far at all events in preserving lives and property. Perhaps when the millennium comes, we shall be able to cast aside all means and methods of offence and defence, rest secure in the feeling that every man will treat another as his brother and that nobody will be in trouble the world over. That has not happened as yet anywhere, it certainly has not happened in China. I instance that only as indicating the curious discrepancy between the definition of autonomy and independent status and the actual facts as they exist in China at the present time.

As one who has scanned the report more or less closely I feel there is in it nothing that causes concern at the present moment. I do not think however we should be called upon to adopt it in its entirety without very careful consideration. The government, having through its leader and the Minister of Justice brought the report before this House, should be prepared to present it to the House with a definite recommendation, and let it be discussed backwards and forwards, through and through, until we know to where it leads and where it has left us, so that this House may have an opportunity of deciding now on the spot exactly what it is prepared to do in regard to the report. But having the matter before us in this vague way, one cannot get away from it by the mere declaration that it binds nobody, ministers of the crown have subscribed to it one way or another. Therefore the resolution of my leader is along the only lines that this House can safely adopt.

As we go along we find in this country people who are taking advantage of almost every opportunity that offers in some way or another, perhaps only by word, to distinguish between our position and that of the other dominions of the British Empire, to separate us somewhere, to take away the appeal to the Privy Council, to have a king of Canada instead of the king which we have at the present moment, to do this, that and the other, all little matters that go towards a general drift in the way of separatism. I feel that the people of Canada do not desire any such thing.

I believe we have prospered and been happy in our connection with the British Empire, and we can continue to be happy in that connection. We can go forward in the eyes of the world never so well as we can as part and parcel of the British Empire. Anything that tends, even by suggestion or implication, in the slightest way to destroy the ties binding us to the British Empire is abhorrent to me. We should guard against anything of that sort, because I believe the people in this Dominion as represented in this House value as they value nothing else their Canadian nationality and their Canadian nationality as it now is part and parcel of the British Empire. We can go on together as we have done in the past. But strong as that empire may be, let us not by any act or deed of ours, by anything we may say, tend to dislocate the union now existing between us. Let us play our part in conserving the strength of that beneficent empire. In that strength, serene and proud, we in Canada will continue to be part and parcel of the British Empire, never to be dissociated from it, pursuing our own way and proud of our own country, but prouder of it because it is an integral part of a great agency of civilization and advancement which the world has come to regard as its main instrument for progress.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Before touching upon the amendment proposed by the leader of the opposition (Mr. Guthrie) I should like to comment on what seems to me to have been a deliberate effort on the part of some hon. gentlemen opposite to misrepresent what I have said with respect to the significance of the recent Imperial conference. My hon. friend from St. Lawrence-St. George (Mr. Cahan) was, I think, the first one to seek to have the House infer that I had made a statement to the effect that the report which was the outcome of the recent Imperial conference was in the nature of a charter which had been wrested from the British government, and that such a statement indicated an attitude of arrogance—I am not quoting the hon. gentleman's words but their meaning and intent—which the people of this country would not wish the leader of the administration to assume. The leader of the opposition, in the course of his remarks, seemed to me to be endeavouring to have that impression gain ground by quoting merely a part of my utterance, and by declining to take notice of the correction I wished to have made, when I drew his attention to the fact that I was being only partially quoted, and sought to have the full statement I had made presented to the House. Instead, he said that my remarks would be found in Hansard exactly in the terms he had quoted, which was not true. There have been other references by other speakers to the same effect, and in view of this fact I think I am justified in asserting that hon. gentlemen opposite have deliberately sought to have a certain impression created with respect to what I had said as to the significance of the conference, which impression my remarks would warrant in no respect.

Perhaps I can put the position in its true light by reading to the House from the speech of my hon. friend the leader of the opposition, the interruption on my part and his reply thereto. On March 29, 1927, as recorded in Hansard, the leader of the opposition made the following statement:

> I place side by side the statements made by three of the prime ministers who attended the conference of 1926. First, I take the statement made by the Prime Minister of Australia when he was in Canada in January last as reported in the press at the time. He said:
>
> "There is nothing really new in the status or relations of the British dominions as a result of the recent conference. The rights now enjoyed have existed ever since the termination of the war."
>
> That is clear and distinct language which we all understand. Then I compare with that the statement of my right hon. friend the Prime Minister made in this House on December 13 last, when he said:
>
> "I believe the work of this conference will take its place in history by the side of those great charters which have stood in one form or another for a larger freedom."
>
> Next I place side by side with that the statement attributed to the Prime Minister of South Africa, who said:
>
> "The British Empire now exists as a name only."
>
> When three of the participants in conference make statements so irreconcilable as those which I have just read, it is little wonder that the public in this country and perhaps in other parts of the British world are at a loss to know what actually did take place.

I interrupted at that stage, as Hansard shows:

> Mr. Mackenzie King: I am sure my hon. friend does not wish to mislead the House as to what I said or the significance of it. He has read a part only of what I said. I stated that the resemblance to the charters of a larger freedom lay in the fact that none of them purported to set forth anything that was new, but rather to register the point that had been attained—exactly the same meaning and intent as that conveyed by the reference of the hon. Prime Minister of Australia, which my hon. friend has read.
>
> Mr. Guthrie: No, it is a very different statement, Mr. Speaker.
>
> Mr. Mackenzie King: No, it is not.
>
> Mr. Guthrie: The language can mean only one thing, that this larger freedom of which the Prime Minister speaks is a new acquisition to the self-governing powers of this country, or something to this effect.
>
> Mr. Mackenzie King: Would my hon. friend do me the justice of reading the remainder of that statement, and not take one sentence and separate it from its context?
>
> Mr. Guthrie: I will inform my right hon. friend through you, Mr. Speaker, that the statement is to be found in full in Hansard of December 13 last, and that the quotation which I have read is accurate.

Now I would ask the House to refer to Hansard of December 13 last, bearing in mind the words of my hon. friend, that the quotation as he gave it was accurate. I would now point out to the hon. gentleman that the quotation was not accurate, for not only did he not associate the sentence with the paragraph but he did not even quote the entire sentence. He gave part of a sentence, and that part only which would leave a completely misleading inference. The sentence to which I refer in my remarks made on December 13 is as follows:

> In that particular, I believe the work of this conference will take its place in history, so far as the statement of inter-imperial relations is concerned, by the side of those great charters which have stood in one form or another for a larger freedom.

My hon. friend the leader of the opposition omitted altogether the words, "in that particular," which began the sentence. What

was "that particular"? It is indicated in the words immediately preceding:

May I say here what I said publicly in London before coming away, that I believe from the Canadian point of view the merit of the conference will be not in a statement of what has been gained so much as in the statement of what has been attained and is now acknowledged to be altogether beyond debate. I think it is true that all the great charters of freedom in British history have for the most part not purported to introduce anything new or revolutionary. They have purported to be a statement of those rights which the citizens of the day believed were theirs and which they regarded as established. They were a formal statement which could be appealed to by future generations as indicating the point of agreement that had been reached with respect to the several matters with which they dealt.

Then followed my words, "in that particular," and so forth. The leader of the opposition omitted those words, and when I asked him to be good enough to do me the justice of quoting the sentence precisely he declined to do so. He omitted the words "in that particular" but quoted the remainder of the sentence:

I believe the work of this conference will take its place in history, so far as the statement of inter-imperial relations is concerned, by the side of those great charters which have stood in one form or another for a larger freedom.

There followed then these further words:

I believe this great conference, once party controversy is removed and we get a true perspective of it, will stand out in history as a conference which has revealed how broad, deep and enduring within the British Empire are the foundations of national autonomy and imperial unity.

I submit that anyone reading the full statement as I have now given it, will find it impossible to draw from it the inference which hon. gentlemen opposite have been seeking to give to my remarks, not only in this debate but in discussions throughout the country. I should not like to think that my hon. friend had misrepresented me deliberately and I hope he will now admit that I was right in taking exception to his quotation of what I had said as being only partial, and his not giving to my words the full meaning that attaches to them.

Now, Mr. Speaker, what was the original statement I made in reference to the significance of the conference. I have read the statement made in this House after returning from the conference. Let me now read the statement I made before leaving England. It was made at a dinner given by the Empire Parliamentary Association at the House of Lords in England on November 27, the concluding day of the conference, which dinner was attended by representatives from the other dominions as well as by members of the British government, all of whom were called upon to address the gathering. The statement which I made at the time and which in substance I have repeated since will be found in the London Times of the day following the dinner, a copy of which I have in my hand:

For a time, the real work of the conference may be obscured in controversy, but when controversy subsides, and history lends a truer perspective, it will come to be recognized, not only in all parts of the British Empire, but by the world at large that the conference of 1926 has revealed foundations of national autonomy and imperial unity deeper, broader and more enduring than many have dreamed.

Speaking for the Dominion of Canada, I can say that the pride of our people in the achievements of the conference will, as respects Canada's relations in domestic and external affairs, lie not in what has been gained, but rather in what has been attained, and is now no longer open to debate. Our pride will be the greater in that this acknowledgement is made without a dissenting voice; that in all that has been recorded you of the motherland and we of the dominions are in complete accord. The charter of the liberties we individually and collectively enjoy may, to appearances, have been enlarged. In reality, there has been, as respects British political institutions, natural development along inevitable lines.

That was the statement made in the presence of the British ministers and the representatives of the other dominions. No exception that I could discover was taken by anyone who was present or indeed by the British press, and it was not until this particular statement was misrepresented in the manner I have indicated that exception was naturally taken to what was supposed to have been the claim I made with respect to some great gain which had been made at the Imperial conference at the expense of the British government or of Great Britain.

Mr. STEVENS: Will my right hon. friend permit a question? How does the Prime Minister account for the impression received by such an important organ as the Manitoba Free Press, let us say, which has repeatedly asserted that Canada has entered into some new status in its relation to the mother country approximating complete independence, which impression has apparently been taken from the utterances of the Prime Minister.

Mr. MACKENZIE KING: If my hon. friend had stopped before he made his last remark I might have been able to reply immediately. I do not see why he thinks the Manitoba Free Press has taken its impressions from my utterances.

Mr. STEVENS: Very well, I will drop that sentence; I merely added it in explanation.

Mr. MACKENZIE KING: The Manitoba Free Press has taken its impressions from its own reading of the documents and from the knowledge gained in its own way of what took place at the conference, and is entitled to its own opinion like every other journal in this country.

Mr. STEVENS: Is the impression received by the Manitoba Free Press an erroneous deduction to take from the activities of the Imperial conference? I am anxious to get the thing correct.

Mr. MACKENZIE KING: I would like to have before me the text of that part of the article in the Manitoba Free Press to which my hon. friend refers, before I express an opinion on it. I do not say that this is the case, but it is quite possible that quotations have been made from the Manitoba Free Press as they have been made from my speeches, apart altogether from the context, and I would like therefore to see the article and judge of the expression before commenting on it.

To proceed with what I was about to say, may I recall to the House the exception taken by the hon. member for St. Lawrence-St. George (Mr. Cahan) to my making utterance of the kind I have just read. If I recall his words correctly, my hon. friend said that I had no justification for saying that any principles had been established by the conference, and he went on to ask what right I had to speak in the name of the Canadian people.

Mr. CAHAN: Would the right hon. gentleman read from that statement made at the House of Lords dinner exactly what he did say about this new covenant, or whatever the term was, which was agreed to by all the dominions?

Mr. MACKENZIE KING: I have just read it.

Mr. CAHAN: Would the right hon. gentleman read it again? It was that to which I referred and in respect to which I said I did not understand whence the Prime Minister received his authority.

Mr. MACKENZIE KING: I will read it again:

> Our pride will be the greater in that this acknowledgement is made without a dissenting voice; that in all that has been recorded you of the motherland and we of the dominions are in complete accord.

Mr. CAHAN: I took exception to that.

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: Let me read the statement made by Mr. Baldwin, the Prime Minister of England, on the same occasion, which will be found to be identical in meaning if not in the same terms. I desire to give this for the purpose of making it clear that the criticism which hon. gentlemen opposite are endeavouring to focus on the leader of the government in Canada is applicable in equal measure to the prime ministers of all the self-governing dominions and the Prime Minister of Great Birtain, as well as to the other members of the British government who were present. As long as that is understood I have no objection to my hon. friends levying any criticism they may have to offer, but I do take exception to having the impression go abroad not only throughout the British Empire but throughout the world as well that so far as Canada was concerned her representatives adopted an attitude which was singular in this particular direction, and not comparable to the attitude taken by the prime ministers of the other self-governing dominions. I will just quote one paragraph from the remarks made by Mr. Baldwin:

> "We emerged from the war transformed. Great Britain emerged no longer isolated. Science had decreed that whether Great Britain liked it or not she was for all time an integral part of Europe. The dominions emerged matured, grown up to man's estate and conscious of their manhood, with its privileges and its obligations. We have recognized that fact," continued Mr. Baldwin, "we have acknowledged it to one another and that is really what we have said in this historical document. We are the last people to indulge in theories and definitions, but we have stated there a fact. We have tried to see things as they are and put them forth for the world to read. That is a very different thing from plucking a plant up by the root every year to see how it is growing. We have never done that and we have never attempted to define terms too closely, even at the risk of being thought an illogical people. Now we have published to the word our conception of the status of the communities which comprise the British Empire.

If my hon. friend will take those words of the Prime Minister of England and put them beside my own words which I have quoted, he will find that their meaning and significance is to all intents and purposes identical. Mr. Baldwin was expressing appreciation of the fact that the representatives of the dominions and the representatives of the British government were as one in their general concensus of view as to the status existing between the different self-governing parts of the British Empire in their inter-imperial relations. He was expressing further an appreciation which I think was felt generally throughout the British Empire that there had

been a consensus of view which was unanimous on that particular matter.

Now, what was the status on which we all agreed? Reference has often been made in the course of the debate to the text of the report itself; we will grasp its significance better if we take broadly the possible alternative conceptions of the relations of the different self governing parts of the British Empire to one another, Great Britain included. There is no escaping one or other of these alternatives. Either the dominions, in relation to Great Britain, are in a position of colonial subordination, or they are in a position of equality of status. There is no escaping this alternative: in relation to the dominions either the position of Great Britain is one of imperial control, or else it is one of equality of status. Now you cannot get away from one or the other of these positions; and when you come to discuss the questions that arise as between the different parts of the British Empire there comes immediately to the fore, the query, on what fundamental basis are you going to settle these questions? Are you going to lay down the basic principle as one of imperial control on the part of Great Britain and colonial subordination as respects the dominions, or are you going to say that the basis that has been achieved—not all in one year but over a large number of years—the point that has now been reached, that has been attained in the evolution of the great structure of empire, is one where the self-governing dominions hold an equality of status with the mother country? I venture to say that understood in that broad light there is not an hon. member of this House who will take exception to that statement of the position. See what the effect is the moment that position is acknowledged. So long as it is not acknowledged you have within the self-governing dominions the strongest kind of reason for agitation against imperial control, the strongest kind of reason for agitation against colonial subordination. The minute the status is declared and known to be one of equality to permit of effective coöperation between the different parts that moment you remove throughout the empire the basis for agitation on that particular ground. I wish to say that when the conference met there was in one or two parts of the British Empire a great deal of agitation which the British government I know viewed with a good deal of concern. There was a condition very unsettled in South Africa; there was a certain unsettled condition in Ireland. The minute the position was made clear that so far as the relations of Great Britain to these dominions was concerned it was not one of imperial control but was one of equality of status—each self-governing part of the empire in its relation to the other part being on a footing of equality for the purpose of effective coöperation—that minute the agitation subsided and those responsible for it were obliged to change their note.

Take the effect of the conference, for that, after all, is the best way to judge of results. What has been the effect in South Africa? The feeling in South Africa to-day towards Great Britain is vastly different from what it was before the conference took place. It is not one of estrangement from Great Britain. On the contrary there is every evidence of a desire on the part of South Africa to remain within the British Empire and a feeling of pride in the position of South Africa in the empire; and the same, I believe, is true in regard to the Irish Free State. I wish to take very strong exception to the words which were spoken here this morning by my hon. friend from Toronto West Centre (Mr. Hocken) to the effect that there was represented at that conference a couple of nations of the empire that were seeking to separate, and that the representatives of Canada were doing their part in helping to make it easy for them to get away. Those are not the exact words of the hon. gentleman but that is their intent and meaning. I say to my hon. friend that I do not think that he uttered the sentiments of his own heart or his own mind when he used those words; he was talking from a purely political motive at that time. I do not believe that my hon. friend feels in his heart that the representatives of this Dominion went to that Imperial conference with any such object in their minds—

Mr. HOCKEN: I did not say that.

Mr. MACKENZIE KING: —or that either of them played any such part. My hon. friend spoke about coöperation on the part of the Minister of Justice and myself with the prime ministers of Ireland and South Africa. He did not say anything about coöperation with the prime ministers of Australia or New Zealand. Yet both the latter gentlemen have visited this country, they have spoken publicly from coast to coast; and at the many meetings which they addressed they declared emphatically that the representatives of Canada had coöperated with them, and were at one with them in the views that were expressed at the Imperial conference. More than that. I would ask my hon. friend, if he has among his numerous friends and asquaintances, as I believe he

has, those who are closely in touch with the British government in London, if he would enquire from them as to the kind of part which was played by the Minister of Justice and myself at the Imperial conference—whether it was a part which sought to make the problems of empire more difficult, or whether it was a part which to the uttermost sought to help to bring about unity in imperial affairs. If hon members opposite will communicate with those members of the British cabinet who were at that conference, I challenge them to find one who will do other than admit that the part played by Mr. Lapointe and myself was the part of men who were doing their utmost to bring about unity, and to remove the occasions for discord within the British Empire; and I affirm that it comes with pretty poor grace from gentlemen who profess to have such a love of the empire, and to be the especial exponents of empire, to do their utmost to destroy the work that has been done by the representatives of this country in company with the representatives of other parts of the empire with whom they find no fault and whom they are over zealous to praise.

Now let me go back to the statement I have made as to the results of the conference as embodied in its report being worthy of being placed beside the great charters in Britsh history. I have in my hand a copy of the London Spectator which I think is as Conservative an organ as is published in Britain. Certainly no one will challenge its high standing, no one will challenge its interest in the empire, no one will challenge the great skill with which it is edited. The dinner at the House of Lords took place on November 27. On that same day the London Spectator came out with an article on the conference. I had not seen this article at the time I made my speech; I had at the time no knowledge of its existence. What was the view this great British journal took of the significance of the Imperial conference? The article is headed "The British Commonwealth's Charter of Freedom" and the first paragraph reads as follows:

> The eagerly awaited report of the Inter-imperial Relations Committee of the Imperial conference was issued on Saturday, November 20, and an epoch-marking document it is, whatever may be said to the contrary. For years to come the report will be regarded as a charter of freedom for the British commonwealth of nations. The document may well rank with our most important state papers, for in it are set forth the basic principles on which the British Empire rests. Never was the genius of the British people for adapting their political institutions to the changing needs of the day more apparent. Here is no written constitution which will bind future generations, but rather a confession of faith in what the empire stands for in 1926, and an indication of how best to insure its permanence.

Now there is a statement identical in its intent and meaning with the one I made, and to which such exception is being taken at the present time. It does not say that the work of the conference amounted to nothing. It attaches very great significance to the fact that we have reached a point in the evolution of empire where we were able by common accord definitely to state a position of vast consequence to all parts of the empire.

But let me quote from a speech made by the Right Hon. Mr. Amery, Secretary of State for Dominion Affairs, a speech delivered at the Constitutional Club on December 16th, and reported in the London Daily Times of December 17th. The speech was on the Imperial conference and it is easy to see what significance Mr. Amery gives to the conference, speaking on behalf of the British government. This is the quotation from the Times:

> The conference had cleared the way for future coöperation by getting rid of certain misunderstandings as to the relative position of the dominions and ourselves which had survived into recent years and were a cause, not only of difficulty as between the dominions and ourselves in our efforts to coöperate, but also of internal political difficulty in more than one dominion. Lord Balfour had achieved not the least of his many great achievements in being responsible for a report which marked a new and useful stage in empire coöperation. It might be said with truth that there was really nothing new in the conclusions of the Balfour committee, but this report was only typical of many other great documents in our constitutional history. Our procedure has never been to lay down a constitution for the future, but rather, from time to time, to see how the constitution had developed and to take note of the stage which had been reached. That was, in essence, what the Balfour report did.

Exactly the same statement in intent and meaning as the one which I have made as to the significance of the conference itself.

Now I come to the next point that has been stressed in this debate, and that is the criticism of myself and the government for not submitting the conference report for the approval of parliament. My hon. friend the member for St. Lawrence-St. George (Mr. Cahan) gave, I think, three grounds on which he felt the report should have been submitted: First, that I had stated when speaking in the debate on the Address last December that it was the intention of the government to submit the report to the House; second, that the report of 1923 had been submitted in whole or in part for the approval

of parliament, and therefore that this report should also be submitted to parliament; and thirdly, that I had no right to speak on behalf of the people of Canada, that the only body that had that right was this parliament, and that I should put the report before parliament so that parliament could pronounce upon it. I think I have stated correctly in intent and meaning my hon. friend's different arguments.

I did state, Mr. Speaker, in December last that it was the intention of the government to submit the report to parliament for its approval. But sometimes second thoughts are better than first thoughts. I confess that I had no sooner made that statement to parliament than I was told that my reason for so doing was to force a division in this House: that I knew I had come back from the conference with a report that would command the confidence of parliament and would help to give the government a good majority, and that I was intending to put this report before parliament and compel a division upon it, or else the acceptance of the report in its entirety without division, which would, of course, bring greater credit to the administration than ever.

Mr. CAHAN: Who raised that objection, may I inquire?

Mr. MACKENZIE KING: I have heard it raised in a number of quarters. I have not to go very far to disclose how right I am in what I am saying. The amendment which my hon. friend has brought into the House to this motion to go into supply was an amendment that was intended as an amendment to the report when it was brought down, not the exact words, but there was the intention on the part of hon. gentlemen opposite, if the adoption of the report had been moved, to move an amendment to it. Hon. gentlemen know that.

Some hon. MEMBERS: No.

Mr. MACKENZIE KING: It is not for me to go into the counsels of hon. gentlemen opposite, but I have good reason for knowing that there was the intention of moving an amendment if the report had been placed before the House for adoption. If there was no such intention, I fail to see what is the object of an amendment to a motion which is simply for the purpose of enabling us to discuss the report.

Having in mind, Mr. Speaker, what took place at the conference, having in mind the difficulties there were in reaching the point of unanimity which was reached, to the great satisfaction of all parts of the empire, I did not feel that it would be in the interest of inter-imperial relations or in the interests of the British Empire to take a course of procedure in this parliament which would provoke a division here when division had not taken place upon the report in any other part of the British Empire. and I decided that I would change the course of procedure so as to avoid anything of the kind.

May I say this? When I made that statement in the course of the debate on the address, hon. gentlemen opposite had been indicating an adverse attitude towards the report. I was speaking in the spirit of the leader of a party who is conscious of his position, and when I stated that I was prepared to bring that report in here and have its adoption moved in the House, I will admit frankly that I was not giving the consideration which I perhaps should have given at that moment to the effect that that particular course might have outside of this House and outside of this country. I was not thinking sufficiently, I will frankly admit, of the possible effect in South Africa, in Ireland, in New Zealand, in Australia, in India and in the British parliament, of a division in this parliament and of the kind of debate which we have already had over this amendment; nor had I then given as much thought as I have since given to the course of procedure adopted in the other parliaments of the empire.

When I first spoke on this subject, I made it clear that I was going to avoid in my address so far as might be possible anything in the nature of party politics or a partisan view, and my hon. friend opposite was kind enough in the course of his remarks to say that he felt in that particular I had kept true to my purpose as indicated. I deliberately kept away from anything that might prove controversial, hoping that in regard to these inter-imperial matters this parliament would give to the empire the same kind of united expression as the Imperial conference itself had given. In the British House of Commons, as is known here, when questions of foreign relations are being discussed, the political parties have an understanding which has become a tradition in British public life, that on issues of that kind they will not divide parliament if it is possible so to avoid. They will discuss freely the merits of the several questions, but they will not divide the House. They will seek in foreign affairs to be as one when it comes to parliament, as representing the country against the rest of the world. I think we in this House can afford to follow British tradition in that

regard, and if that tradition has any value in respect to foreign affairs, it has fifty times greater value when it comes to be applied to inter-imperial affairs. There, if anywhere, we should seek to avoid the kind of political division which would cause other parts of the empire to believe that on these great questions that lie at the very root of the unity and the maintenance and perpetuity of the British Empire we in this House are not at one. That was my reason, and I now wish to say to my hon. friend the leader of the opposition that I think he will be taking the right, the wise and the patriotic course if, after the discussion which has taken place, he should withdraw his amendment, and not have this House divide upon a question of imperial unity as it has come to us from the Imperial conference. If he is unwilling to withdraw his amendment, then of course the government has no alternative but to allow the vote to be taken. But if the vote is to be taken, I appeal to hon. members of this House by their numbers to make it clear that they do not wish to countenance a course of the kind, but that they are prepared to share the point of view of those who follow a larger and finer tradition in regard to inter-imperial relations when these relations are being discussed on the floor of parliament.

May I say, speaking of other parts of the empire—

Mr. CAHAN: Does that statement of the Prime Minister imply that this House is expected by quiet acquiescence to approve of any action taken by the Prime Minister and his colleagues at imperial conferences in the future?

Mr. MACKENZIE KING: Not at all, and nobody knows that better than my hon. friend. If my hon. friend has an indictment to draw against the Prime Minister, let him frame it and bring it in here and move it. I am prepared to stand and defend the course I have taken. If my hon. friend thinks I have taken a mistaken course, let him bring in a motion to that effect, and let parliament express itself upon it, but do not let him come forward in regard to a report which is accepted unanimously in all parts of the British Empire and divide this House in a way which is going to create a false impression in the other dominions of the empire and in the motherland. Take the practice as it is, as we see it in different parts of the British Empire. In Great Britain in the House of Commons, as far as I can discover, they have not even debated the question of the conference. Questions have been asked of the ministers and the ministers have replied. There have been discussions on matters that have come up in which reference has been made to what took place at the conference, and the freest comments made in regard to these matters. But in no place in Britain up to the present time has there been any criticism of the British government's attitude with regard to the conference, or any division with respect to the report. In the House of Lords there was a brief debate, and how was it brought on? Lord Parmoor, on behalf of the opposition, moved for certain papers to permit of a discussion. Lord Parmoor made his statement and Lord Balfour replied to him, and after the reply Lord Parmoor said that he accepted in full all that Lord Balfour had stated and added that unanimity was the thing to be sought, he therefore asked leave to withdraw his motion for the production of papers, which leave was granted. That was the method of procedure there. There has been no division in the South African parliament, or in New Zealand, and in Australia there has been no discussion that I am aware of.

Mr. CAHAN: No opportunity.

Mr. MACKENZIE KING: And even in Ireland, in the Irish Free State despite what we have heard said of fighting propensities and the stirring up of dissention, there was a debate but there has been no division. Is Canada going to be the first part of the British Empire to create a division on a matter that was one of unanimity at the great Imperial conference? Is that the attitude which hon. members opposite propose to take? They may take it, but they will have to take the responsibility that goes with it. As leader of the House, I am striving to secure what I believe to be the patriotic, the right and proper attitude, and I suggest in the light of what I have stated that when this discussion is concluded, after every hon. member has had his free say, the hon. leader of the opposition should withdraw his motion. Otherwise to other parts of the empire and to the world at large, there will be the spectacle that while there has been a declaration to the world generally of the unanimity that exists within the empire on imperial affairs, there will appear to be evidence to the contrary, because of the Canadian parliament in reference to the report not having acted in accordance with the course adopted by other parts of the empire.

Let me come to the second reason which my hon. friend the member for St. Lawrence-St. George gave as to why this resolution should be submitted to the House. It was

that the report of the conference of 1923 had been submitted. I think he said the report of 1923, and I corrected him and said that there had been only one portion of that report submitted.

Mr. CAHAN: The part in regard to treaties?

Mr. MACKENZIE KING: Let me explain to the House why a particular part was submitted to parliament, and in so doing I suggest that it forms a kind of precedent which we might well follow in regard to matters contained in the reports of Imperial conferences. There were two reports of the conference of 1923, one the report of the Imperial conference and the other of the Imperial Economic conference, dealing with the same class of subject matters as are dealt with in the one report of the last conference. Those two reports were placed before parliament just exactly as this report was placed by tabling, and by order of the House having copies printed and distributed. That was done in 1924. The conference was held in 1923. In the session following no action was taken on the report. It was not submitted for approval. In the session of 1925 no action was taken, and in 1926 the part of the report which related to a certain procedure with respect to treaties was presented to parliament and parliament was asked to adopt it. Why? Because in the interval there had been received from the British government a statement of some of the matters that would be on the agenda of the ensuing conference, and one was the further consideration of the question of treaties, the procedure, with respect to negotiation, signature and ratification of treaties. This parliament has taken a different view than some of the other parliaments of the empire with respect to the approval of treaties. We have taken the position that a treaty cannot be held to be binding on Canada until it has been approved by our parliament—that it cannot be ratified until approved by parliament. Now there had been no expresion of view from the Canadian parliament on that all-important matter, and it was to get an expression of view on that important matter, to get the endorsation of this House on the course of precedure laid down and which we had already followed with respect to three or four treaties which we had negotiated that this House was asked to approve that particular part of the report before the conference of 1926 took place. So that when the Minister of Justice (Mr. Lapointe) and myself went to the conference we were able to state, "This is the position of the Canadian parliament on this matter."

I will mention a further consideration, which will appeal, I am sure, to my hon. friend's sense of humour, if to nothing else. No one of us in the House was at all certain as to who might be going to the conference from Canada. Some hon. members thought that the then leader of the opposition had a chance of going. We were taking good care to see that if he did go, with his Tory point of view, he should not be in a position to have this country bound by treaties unless this parliament in the first instance had approved of them. We wished to have the course clearly mapped out, so that no matter who might go to the conference he would have to support his position the decision of the House of Commons as to the attitude Canada wished to have placed before the conference with respect to the negotiation, signature and ratification of treaties.

Mr. CAHAN: May I ask the Prime Minister if it does not appeal to his sense of humour that this resolution of the leader of the opposition is in complete accord with the Prime Minister's declaration of last session that in all these questions the approval of parliament should first be obtained, and that we do not desire the Prime Minister to deem himself authorized to carry out these reforms without the sanction of parliament?

Mr. MACKENZIE KING: With respect to any feature of this report, parliament will have ample opportunity of passing upon it if in any particular it conflicts with the point of view of this House.

Then a further factor which may help to explain the situation is this: the former Liberal administration took a certain position with respect to the negotiation, signature and ratification of treaties prior to the conference of 1923. Hon. members who were in the House at the time will remember we had a lengthy debate on the halibut treaty, negotiated between Canada and the United States, with respect to the conservation of the halibut fisheries on the Pacific coast. When the treaty came up for consideration we took the position that it was a bilateral treaty affecting only the United States and Canada, that it did not affect any other part of the empire; that as such it was for the members of the Canadian government to negotiate with the government of the United States. We thought His Majesty should give full powers to our representative, just as we had given full powers to the representatives of the

British government in the negotiation of treaties which concerned them only. We were criticized very strongly, not by my hon. friend, but by some other members. It was said that we were making a great departure inasmuch as we were going to negotiate a treaty with our own minister, and were asking that full powers be given a Canadian minister. We were told this treaty business was something off of which we ought to keep our hands. We proceeded however along lines which we thought were right and which this parliament ultimately unanimously approved. What followed our negotiation of the halibut treaty? When the Imperial conference of 1923 met, there had been all kinds of misrepresentation with regard to our position. The question came up for discussion, and when the conference had all the facts before it, it endorsed the position of our government. The conference laid down that, with respect to the negotiation, signature and ratification of treaties, where only one part of the empire was affected, it should have the right to negotiate those treaties itself and to arrange for the signature of them and for ratification at the instance of its own government or parliament in accordance with the method that the parliament concerned wished to adopt, either formal approval by the parliament or simple approval by the government.

That was the position when the conference of 1923 was held. Following that conference we negotiated with the United States three more treaties in accordance with the procedure laid down in the conference of 1923. One treaty related to smuggling, another to the extradition of offenders, and the third to the boundary between this country and the United States. All three treaties were negotiated by Canadian ministers. The Canadian minister in each case received full power from His Majesty the King upon the recommendation of the governor in council of this country. The treaties were brought into this House of Commons, approved by this House, and after approval by this House they were ratified by His Majesty the King on the recommendation of the government of this country.

We had adopted here a course of procedure with respect to a number of treaties, and before a new Imperial conference was held we desired to get full approval of that course of procedure, knowing that the matter of negotiation of treaties was to receive further consideration at the ensuing conference. That is the reason that a portion of the report of 1923 was presented. If it affords strong reasons why with respect to particular portions of this report this parliament may from time to time think it advisable formally to endorse a course of procedure outlined or to express its view thereon, that is very far from being the equivalent of asking this parliament to adopt in full a report which covers a very wide range of subjects and which, no matter how long a time this parliament might take, it would be impossible for it to debate fully from beginning to end.

Mr. WOODSWORTH: Is the Prime Minister's position that it would be right that Canada should be committed, for example, to a scheme of imperial air routes without any discussion or decision by this parliament?

Mr. MACKENZIE KING: No. I think this parliament should have full opportunity to discuss any scheme, no matter what it is, that has a bearing upon the relations of this country with other parts of the empire.

Mr. WOODSWORTH: As I understand the matter then, we are not so committed by letting this question go as it is to-day?

Mr. MACKENZIE KING: I know what my hon. friend has in mind and I will give my attention to it for a moment. In the course of my remarks the other day, I mentioned that there was one particular thing, one single act out of all the rest, in regard to which the Minister of Justice and myself, acting on behalf of the government of Canada, felt that we were justified in committing this country to some extent, in the belief that in so doing we would have the full support of parliament.

In the discussion at the conference on the question of commercial air routes relating to an immediate probable development of airship navigation, a request was made by the Minister of Air to the governments assembled at the conference for one or more to agree to coöperate with the British government in making a test of aerial navigation for commercial purposes, by going the length of agreeing to undertake to put up a mooring mast to which airships could be moored and to gather meteorological data sufficient to enable those who were doing the navigating to feel secure in the course which they were taking. That request was made in an informal way; there was no resolution or anything of the kind about it. I said to my colleague who was beside me: it seems to me that the people of Canada will welcome an experiment which is going to help to develop trade between England and our dominion, no matter how that development takes place. We all know we are on the eve of great developments in

air flights, and at the conference the Minister of Justice and I knew that Africa, Australia and India had already established their commercial routes with flights from one part to the other. We felt that we would be derelict in our duty if we did not take advantage of that moment to endeavour to get the first flight of airships across the ocean between Canada and Great Britain rather than between Australia, or Africa, or some other part of the empire and Great Britain. So we said that we would be prepared, when parliament met, to ask parliament to vote what was necessary to pay for a mooring mast and to undertake that particular work of experimentation. That item is in the estimates and it will come before parliament, in fact the estimates are before the House now. If we have taken a wrong stand in that, parliament can review our stand; parliament can refuse to pass that estimate.

We were not endeavouring to escape the authority of parliament; but ministers of the crown from the nature of their position are obliged to act or to fail to act on particular occasions, and they can be held as liable for the one course of procedure as for the other. In the circumstances I would have felt, had we not acted as we were glad to do and as I believe the people of Canada will be glad we have done, in stating that Canada was prepared to experiment with the mother country in the matter of air navigation across the Atlantic, this House might very well have taken exception to our course and criticized us for our failure to act. That was in so far as I am able to recall the only commitment made at the Imperial conference directly or indirectly in any regard.

Mr. CAHAN: If the Imperial conference report is adopted or accepted by this parliament, does not that imply that Canada shall participate in imperial defence otherwise than by a mere air route?

Mr. MACKENZIE KING: I do not admit any implications in the report at all. The report means just what it says. As regards questions of defence and the like, no commitments at all were made at the Imperial conference.

May I come to the third reason of my hon. friend why the report should be presented, and that is that I as Prime Minister and my colleague as Minister of Justice representing this country had no right to speak for Canada, for the Canadian people? I do not know whether my hon. friend was in the chamber this morning when the hon. member for Fort William (Mr. Manion) made his speech which, by the way, may I be permitted to say was a model of moderation, fine in tone and equally good in substance? When he made that speech this morning the hon. member quoted from the premier of Quebec, and in the course of his remarks said that the premier of Quebec had the right to speak for the province of Quebec. Will my hon. friend deny that?

My hon. friend knows very well that someone has to be in a position to speak for the country. When a country has pronounced itself with respect to a government and has placed ministers in office, it gives to their office certain powers and obligations. I say to my hon. friend that the constitutional method of procedure with respect to domestic and foreign affairs is for ministers of the crown to have the right to negotiate. They may not have the right to bind parliament, without the approval of parliament, but they have the right to negotiate and to express sentiments with regard to general public opinion.

Mr. CAHAN: May I say that my contention was that, having represented Canada, the hon. gentleman should submit to parliament for its approval the report which he approved? Otherwise he remained without authority to carry out its terms.

Mr. MACKENZIE KING: My hon. friend will see his own words in Hansard. From the regard which I have for him, I shall be a little surprised if one day he does not rather wonder how he came to use them. My hon. friend, I think, understands very well the rules of debate, and on most of these imperial questions I believe he desires to make his contribution as useful and helpful as possible. But I say to him, speaking across the floor of the House, that, judging from the impression which his remarks the other day created in the House, his effort on that occasion was one not so much intended to contribute in any constructive manner to the consideration of imperial problems, as to be as abusive as he could of the Prime Minister.

Mr. CAHAN: I am sorry the Prime Minister took that impression.

Mr. MACKENZIE KING: I do not mind the abuse; I am quite prepared to listen to it. I do say to my hon. friend however, with all respect, that if he thinks that sort of thing makes for unity within the empire he is very much mistaken. I may tell him frankly, as my colleague the Minister of Justice (Mr. Lapointe) said from his seat the other day, that if ministers of the crown, after having done

their utmost on behalf of their country to further unanimity and good will in imperial affairs, are to receive from the loyal opposition of the country as their only reward as much abuse as can be heaped upon them, it will be increasingly difficult to get ministers to attend these conferences and to devote to the task they undertake that time and concentration which the country might wish them to give such duties.

Hon. gentlemen opposite say that I had no right to speak for Canada; they declare that I should not have dared to say whether we were at one with other parts of the empire. When they draw their indictment against me on this ground I should like to ask them what their indictment would have been had I refused to make an effort to find agreement at the conference. I knew before I left for the conference that an effort was being made by hon. gentlemen opposite to have it appear that I was going to England to make all the trouble I could. As a matter of fact, the first impression which my hon friends opposite sought to create was that I did not intend to go to the conference; that for some reason or other I had a dislike for Great Britain.

An hon. MEMBER: Hear, hear.

Mr. MACKENZIE KING: Yes, and the man who has just said "hear, hear" is responsible for much of the language of that kind. Let me say that nothing could be more unpatriotic, more unworthy of a British citizen than such an insinuation. I tell hon. gentlemen that there is no man within the empire who has a greater love for it than I have; there is no man who believes more strongly than myself in the wisdom of preserving the empire as the greatest agency for peace and goodwill and progress in the world. It is for that reason that I say now, emphatically, that when a party or its members seek to have it appear to the world at large that one who is imbued with that spirit, and who entertains that regard for the British commonwealth of nations is engaged in an endeavour to dismember the empire, they are going a long way towards sowing seeds which some day may bear the kind of tares they would not wish to see. It is easy enough to sow the wind but the time comes thereafter when you reap the whirlwind, and I tell my hon. friends opposite that any man who seeks to make party gain out of imperial questions fails to play his part as a true British citizen or a patriot. I do not think I need repeat that when I left Canada I made it clear that so far as our Dominion was concerned our relations with the mother country, as well as with other parts of the empire, could not be better than they were. From the moment I entered upon the proceedings of the conference until the very close of those proceedings every effort I could possibly put forward was made with the sole object of seeking, as far as I could, to help remove such differences as existed and to bring out that demonstration of unity which every true lover of the British Empire will appreciate.

I had no intention of referring to my own part in the conference, but hon. gentlemen have made it necessary for me to state my position more fully than I otherwise should have done. I need not detain the House longer, but in conclusion I would again appeal to my hon. friend to consider the wisdom, after the close of this debate, of withdrawing the amendment he has submitted.

The amendment is unnecessary and misleading. The position has been made abundantly clear to parliament that the report of the Imperial conference in no way commits this country or this House to anything, nor does it deprive this parliament of any right or power now exercised. To agree to an amendment such as the one now proposed is to create an entirely misleading impression with respect to the contents of the report of the conference, and the significance thereof. Let me take the first clause:

> That it is not desirable that this House should be deemed tacitly to have acquiesced in the declarations and recommendations contained in the report of the proceedings of the Imperial conference, 1926.

Suppose that clause is accepted; what is the implication? The implication is that where a resolution of this nature has not been adopted with reference to previous imperial conferences this House has tacitly acquiesced in the reports of those conferences. For my part I am not prepared to admit that this country is bound by a single report of any imperial conference. As I stated emphatically at the outset, the imperial conference is not a parliament, nor is it a council empowered to lay down policies. It is no more than a gathering of representatives of different parts of the empire delegated to state their views and to indicate their conclusions. I submit, with respect to this report and every other report of any imperial conference, that, except to such extent as this parliament desires to endorse and to be bound by what appears in any of these reports, they have no binding effect whatever. The purpose of the conference is to help as far as possible to bring about some symmetry on the part of the various parts of the empire in the working out of many problems they have

in common; to provide between them some more effective means of coöperation; to lay down broad principles and methods for dealing with such matters as call for joint or common consideration; and to ensure effective coöperation whenever the necessity for coöperation may arise and the parliament concerned may decide upon it. I repeat that imperial conferences are not parliaments or councils empowered to make constitutions for the empire. I ask the House therefore not to agree to any amendment which will leave the implication that, where there has been no formal resolution with respect to reports of this nature, this House has tacitly acquiesced therein.

Mr. CAHAN: Did not the Prime Minister in submitting his resolutions at the last session say that previous reports had tacitly bound this country?

Mr. MACKENZIE KING: No, he did not.

Mr. CAHAN: I would refer the right hon. gentleman to Hansard.

Mr. MACKENZIE KING: The Prime Minister did not say that. The second paragraph of the amendment reads:

> That in the opinion of this House the proceedings of the recent Imperial conference and the declarations and recommendations contained in the report of the Imperial Conference Committee on Inter-imperial Relations should not be binding upon the parliament of Canada until approved by a formal resolution of this House.

All this has already been made perfectly clear; no one in this House has any misconception as to the extent to which the report is binding. There is therefore no need for the House to divide on that point. But take the rest of the clause:

> And that until such approval is obtained this government shall not be deemed to be authorized to take any steps to carry into effect the recommendations contained in said report.

This morning the hon. member for Toronto West Centre (Mr. Hocken) complained that sufficient time had not been given to the consideration of trade, of migration and of defence. He thought there had been too much purely academic discussion on the question of status. May I say to my hon. friend that while he paid the Minister of Justice (Mr. Lapointe) and myself the compliment of being academic and the still greater compliment of apparently having directed the affairs of the conference, we were not responsible for the agenda. We took it as it was presented to us and as it appeared when we got there, and if these constitutional questions assumed large proportions it was not because of our representations. It must be remembered that the conference was representative of all parts of the British Empire, and that many of these questions were of great concern not only to some of the other governments of the self-governing dominions but to the British government as well.

If this amendment is adopted the government is prevented without the approval of parliament from even carrying out the administrative measures mentioned in the report, and may I say that in a very large part what is there in the way of recommendation relates to matters of administration which it is hoped will help bring about a more effective coördination and coöperation. Consider the matter of trade statistics; certain standards are laid down to which it is hoped all parts of the empire will conform. We are to be prevented from even attempting to conform to these standards, while other parts of the empire are prepared to do so. The report suggests certain investigations should be made with respect to certain commodities effecting empire trade but until this parliament formally agrees to it we are supposed to say, "No; we are sorry, but we cannot give our consent to any inquiry being made until parliament formally approves of our so doing". I am sure that on reflection my hon. friend will not wish to press matters that far. Then in the concluding paragraph it is stated:

> That it is also the opinion of this House that no amendments should be procured to the British North America Act to give effect to said report or otherwise, which would affect the rights, powers or privileges of all or any of the provinces of Canada, as they now exist under the terms of said act, unless the same are first approved by the legislature of each of the provinces of Canada.

It has been stated over and over again that the position so far as the British North America Act is concerned is now exactly the same as before the conference was held, and there is no need of discussing that act on an amendment bearing upon the report of this conference. The conference was held in October and November of last year, and today the British North America Act is in exactly the same position it was in last September; it stands in exactly the same position, so far as the people of Canada, are concerned as it stood before the conference. What then is the need of bringing the British North America Act into a discussion of the report of this conference?

I take a further exception. The amendment goes far beyond the report in its reference to amendments. It says:

—no amendments should be procured to the British North America Act to give effect to the said report or otherwise—

Note the "or otherwise." I submit, Mr. Speaker, that the subject of amendments to the British North America Act is big enough to be dealt with alone and should be discussed in this parliament by itself without being confused with this particular report.

In conclusion may I say that if hon. members will reflect they will, I believe, have reason to feel that in every part of the British Empire to-day there is cause for congratulation that those who happened for the time being to be in certain representative positions were in agreement on great, broad principles which, understood between them, help to make for more effective unity and greater coöperation between all its parts. I say there is cause for congratulation and I believe the people in all parts of the British Empire are proud and pleased that that position has been reached. Now I ask this House not to destroy the good effect of that work of unity and goodwill performed in London by beginning here in Canada a division with respect to this great question of inter-imperial relations which is so far reaching in its effects on all parts of the empire and as well on imperial relations with other parts of the world.

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker,—

Mr. SPEAKER: I would remind hon. members that if the leader of the opposition speaks now he will close the debate.

An hon. MEMBER: He has already spoken.

Mr. GUTHRIE: I have no right to reply; I was only going to answer the intimation of my right hon. friend, but if anyone objects I have no desire to go on.

Some hon. MEMBERS: Go ahead.

Mr. GUTHRIE: My right hon. friend has intimated in very strong language that under the circumstances I should withdraw the amendment which I moved to the motion before the Chair. I do not know whether or not he desires me to answer his intimation, but I think the House will agree with me that the speech he delivered to-day had such a strong flavour of partisanship and so lacked anything in the nature of conciliation that he could hardly expect me to take seriously the request he has just made. However, I think we can get over the difficulty quite nicely—if my hon. friend sees a difficulty, which I do not.

In the amendment which he has just read clause by clause I think there is something to which every member of this House can subscribe. This amendment does not in any way transgress the subject matter of the Imperial conference; it expresses neither assent nor dissent with regard to a single matter which was discussed at the Imperial conference; it merely affirms principles to which every hon. member of this House will, I believe, readily agree. The first principle is that tacit acquiescence should never bind this parliament. But, my hon. friend says, that may have an effect on other conferences. It has had effect already. We bound ourselves by tacit acquiescence in regard to the question of treaty making from 1904 until the end of the war, when we signed the Treaty of Peace. We have never ratified a conference report in that respect, but by acquiescence we have attained the right to negotiate treaties. I do not think tacit acquiescence should bind us in these matters, and I think the House will agree with me. To the second declaration my hon. friend has already subscribed under ordinary circumstances, and he was ready to move it in this House on December 13, last. It declares that nothing in this report should bind this parliament until parliament has approved of it. The third principle is that we should not in any way commit ourselves to any legislation or any proposal which in fact or by implication would give us the power to amend our constitution in any way without the consent of the provinces of Canada.

I submit that these are principles to which we can all subscribe, and if unanimity is desired in this connection—to which I have nc objection—let the Prime Minister accept the amendment. He announced in this House that he would not treat it as a motion of want of confidence, and we do not ask him to do so; we can pass this amendment unanimously and by so doing we will lay down principles with which I am satisfied we all agree in our hearts. I believe the amendment is right in principle, that it will be found to be right in practice and will be adopted in this country sooner or later, so why divide over it now? Let me also point out that we do not raise in this amendment a single issue which was raised at the conference; no one can misconstrue this amendment, and for the satisfaction of my right hon. friend I am going to tell him that the amendment was prepared on Saturday morning, and was not thought of until he startled this House on Thursday with the

announcement that he did not intend to carry out the intimation he made on December 13 last, when he said he was going to ask the House to approve the report.

I cannot withdraw the resolution; I feel that it is right, but I do invite my hon. friend to join with us in passing it unanimously.

The House divided on the amendment (Mr. Guthrie), which was negatived on the following division:

YEAS

Messrs:

Anderson (Toronto-High Park),
Anderson (Halton),
Arthurs,
Barber,
Bell (Hamilton West),
Bell (St. Antoine),
Bell (St. John-Albert),
Black (Yukon),
Black (Halifax),
Bowen,
Brady,
Cahan,
Campbell,
Cantley,
Carmichael,
Casselman,
Chaplin,
Charters,
Clark,
Cowan,
Dickie,
Edwards (Frontenac-Addington),
Edwards (Waterloo South),
Embury,
Ernst,
Esling,
Evans,
Fansher (Last Mountain),
Fraser,
Garland (Carleton),
Geary,
Gott,
Grimmer,
Guthrie,
Hanson,
Hocken,
Johnstone (Cape Breton North-Victoria),
Jones,
Kaiser,
Kellner,
Ladner,
Lucas,
MacDonald (Cape Breton South),
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacLaren,
MacNutt,
McGibbon,
McGregor,
McRae,
Manion,
Matthews,
Maybee,
Peck,
Perley (Sir George),
Pettit,
Preston,
Price,
Quinn,
Rennie,
Robinson,
Ross (Kingston City),
Rowe,
Ryckman,
Ryerson,
Senn,
Simpson,
Smoke,
Spence (Parkdale),
Stevens,
Stewart (Leeds),
Stinson,
Stirling,
Thompson,
Tolmie,
Tummon,
White (London).—78.

NAYS

Messrs:

Adshead,
Allan,
Auger,
Baldwin,
Bancroft,
Beaubien,
Benoit,
Bettez,
Bird,
Bissett,
Blanchard,
Blatchford,
Boivin,
Bothwell,
Boucher,
Boulanger,
Bourgeois,
Bradette,
Brown,
Cannon,
Cardin,
Casgrain,
Cayley,
Chevrier,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Desaulniers,
Descoteaux,
Deslauriers,
Dionne,
Donnelly,
Dunning,
Edwards (Ottawa),
Elliott,
Euler,
Fafard,
Fiset (Sir Eugene),
Fontaine,
Forke,
Gardiner,
Garland (Bow River),
Gershaw,
Gervais,
Girouard,
Glen,
Goodison,
Heaps,
Heenan,
Hepburn,
Howard,
Howden,
Ilsley,
Jacobs,
Jelliff,
Jenkins,
Johnston (Long Lake),
Kennedy,
King (Kootenay East),
King, Mackenzie (Prince Albert),
Lacombe,
Lacroix,
Laflamme,
Lanctôt,
Langlois,
Lang,
Lapierre,
Lavigueur,
Letellier,
Lovie,
Luchkovich,
Macdonald (Glengarry),
MacLean (Prince),
McLean (Melfort),
McDiarmid,
McIntosh,
McKenzie,
McPhee,
McPherson,
Malcolm,
Marcil,
Mercier (Laurier-Outremont),
Mercier (St. Henri),
Millar,
Milne,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Motherwell,
Neill,
Odette,
Perras,
Power,
Prévost,
Ralston,
Raymond,
Rhéaume,
Rinfret,
Robb,
Roberge,
Robitaille,
Ross (Moose Jaw),
Rutherford,
St-Père,
Sanderson,
Séguin,
Sinclair (Queens),
Spence (Maple Creek),
Spencer,
Steedsman,
Stewart (Edmonton West),
Sylvestre,
Taylor,
Telford,
Thorson,
Totzke,
Vallance,
Veniot,
Verville,
Ward,
Woodsworth,
Young (Saskatoon),
Young (Weyburn).—122.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Kay,
Duff,
Wilson (Vaudreuil),
Bowman,
Wilson (Wentworth),
Smith,
White (Mount Royal),
Hodgins,

Tobin,	Drayton,
Dubuc,	Church,
Dussault,	Cotnam,
Lapointe,	Bennett,
Cahill,	McQuarrie,
Pouliot,	Lennox,
Guerin,	Maloney,
Hall,	Sinclair,
McMillan,	Young (Toronto),
Goulet,	Short.

Mr. TOBIN: I was paired with the hon. member for West York (Sir Henry Drayton). Had I voted, I would have voted against the amendment.

Mr. HAY: I was paired with the hon. member for Prince Edward-Lennox (Mr. Hubbs). Had I voted, I would have voted against the amendment.

Mr. DUFF: I was paired with the hon. member for Cumberland (Mr. Smith). Had I voted, I would have voted against the amendment.

Mr. WILSON (Vandreuil): I was paired with the hon. member for Mount Royal (Mr. White). Had I voted, I would have voted against the amendment.

Mr. COTNAM: I was paired with the hon. member for Levis (Mr. Dussault). Had I voted, I would have voted for the amendment.

Mr. GUERIN: I was paired with the hon. member for South Renfrew (Mr. Maloney). Had I voted, I would have voted against the amendment.

Mr. SINCLAIR (Wellington): I was paired with the hon. member for South Bruce (Mr. Hall). Had I voted, I would have voted for the amendment.

Mr. DUBUC: I was paired with the hon. member for Toronto Northwest (Mr. Church). Had I voted, I would have voted against the amendment.

Mr. HODGINS: I was paired with the hon. member for East Algoma (Mr. Bowman). Had I voted, I would have voted for the amendment.

Mr. MACKENZIE KING: When I made the motion to go into committee of supply I explained that it was for the purpose of having the House discuss the Imperial conference report. With the unanimous consent of the House I would agree to withdraw the motion and we can go on with item No. 19 on the order paper, the second reading of Bill No. 233, to encourage the production of domestic fuel from coal mined in Canada.

Mr. SPEAKER: Is it the pleasure of the House that the hon. gentleman have leave to withdraw his motion? Carried unanimously.

Motion withdrawn.

[Mr. Guthrie.]

BONUS TO COKING PLANTS

PRODUCTION OF DOMESTIC FUEL FROM COAL MINED IN CANADA

Hon. CHARLES STEWART (Minister of Mines) moved the second reading of Bill No. 233, to encourage the production of domestic fuel from coal mined in Canada.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion? Carried.

Mr. E. J. GARLAND (Bow River): Before the House goes into committee on this bill, would it not be fair if the Minister of the Interior followed the example of the Minister of Railways yesterday, and gave a statement in explanation of the purpose of the measure?

Mr. STEVENS: He can do that in committee.

Mr. SPEAKER: It is true that the second reading of the bill was declared carried, but there was so much noise in the House at the time that I feel justified in acquiescing in the request made by the hon. member for Bow River.

Mr. STEWART (Edmonton): The bill is intended to meet in some measure the suggestion contained in the Duncan report which we have been discussing here, and upon which legislation has been introduced with respect to freight rates and other matters of importance to the maritime provinces. It is not, however, confined entirely to the maritime provinces. The assistance proposed to be given under the bill is for the purpose of encouraging the erection of plants for the manufacture of by-product coke. I propose when the House goes into committee to introduce two amendments that will make it very clear that this aid is only to be extended to domestic coke, and will not in any way touch the metallurgical production of coke. The main object of the bill is to encourage the use of Canadian coal in the manufacture of coke, which we hope will in a large way supplant the use of anthracite in the acute fuel areas of central Canada. There has been a great deal of discussion in the House with respect to the fuel situation in what we call "the acute fuel area of Canada," which comprises the provinces of Quebec, Ontario and Manitoba. Although there is a low grade coal available quite close to the boundary of Manitoba, yet that province imports a very considerable quantity of American bituminous and anthracite coals for domestic purposes, as do the other provinces named. This assistance is granted in the hope that it will encourage to some extent the use of

Canadian bituminous coal in the municipalities of Quebec, Montreal and Ottawa, and that the market for this coal will be extended farther provided transportation rates warrant it.

Mr. GARLAND (Bow River): Will the drawbacks at present given to certain plants in Hamilton and Winnipeg be continued if this bill passes?

Mr. STEWART (Edmonton): There is no intention to interfere with the drawback which has always prevailed in connection with the metallurgical production of coke. We are merely putting the domestic coke on a parity with the metallurgical coke on which a drawback is at present given. In addition it is hoped to encourage the consumption of Alberta coal for coking purposes in the city of Winnipeg.

Mr. MacDONALD (Cape Breton): Will coking plants at present in existence get the benefit of the proposed subsidy?

Mr. STEWART (Edmonton): No, they will not. The only way you could benefit plants already in existence would be by granting a bounty. This aid is to encourage the erection of plants for the manufacture of domestic fuel. It is not in any sense a bounty that would be applicable to plants already in existence.

The bill speaks pretty largely for itself and requires little explanation except as to the amounts that it provides for assistance in various localities. The hope is that it will encourage the manufacture of the Canadian product as far west as this city in the eastern part of Canada, and as far east as Winnipeg in the western section of Canada.

A word about the existing plant. There is only one, and it is in the city of Hamilton. This will not in any way interfere with the coke that is manufactured there and distributed throughout the area which that particular plant serves. This assistance is being given for the purpose of supplanting so far as that is possible the use of American coal by coke manufactured from our own bituminous coal. At the present moment the American product is coming into the cities of Montreal and Quebec, and it is necessary to make the assistance fairly substantial owing to the fact, which perhaps our maritime friends will not admit, that there is a considerable difference between the American product and the Nova Scotia product used in the manufacture of coke; not in the coke product itself, but as hon. gentlemen know, the by-product obtained in the manufacture of coke is of considerable importance and cuts down the manufacturing costs very considerably. The high sulphur content in the Nova Scotia coal makes it difficult to wash the gas, and the sale of the gas, of course, has a tendency to cut down the production costs. That difficulty in connection with washing the gas is not so prevalent in the American product as it is in the Canadian product. I think, however, and the work done by our geological research officers tends to confirm this, although drilling would be necessary to prove it, that there are seams in Nova Scotia which if opened up would be quite equal to the American product, but at the present moment they are not accessible.

May I say that the agitation carried on for the consumption of Canadian coal has brought the Nova Scotia bituminous coal into this market at Ottawa, so something has been accomplished in that direction. So far as this bill is concerned, it is designed for the purpose of supplanting to a greater degree than at present the importation of American anthracite coal. We have demonstrated that the manufacture of coke from the American product has reduced the tonnage of American anthracite coming into Canada from 5,000,000 tons in 1923 to 3,500,000 tons last year, and if rates are so adjusted as to bring Alberta lignite coal into western Ontario, the importations of American anthracite will be reduced by just that much more. We are bending all our energies in that direction with a view to supplanting the importation of American anthracite into this central portion of Canada, and we are asking that this assistance be given for the encouragement of new plants for the manufacture of coke for the purpose of further reducing the anthracite supplies required in eastern Canada.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion? The motion is carried.

Mr. GARLAND (Bow River): I understood that as I had not heard the motion declared carried I would have the right to discuss this question before going into committee. This is an important matter. The principle of it is perhaps the most serious aspect of it. If the principle can be agreed upon the details are nothing, but inasmuch, Mr. Speaker, as you admit a disturbance in the House for the moment, those members who did not hear the motion carried should have an opportunity to say something now.

Mr. SPEAKER: I put the second motion in order to allow the hon. member to make

his statement. Does the hon. gentleman not think that members will have more opportunity to get answers to questions in committee?

Mr. GARLAND (Bow River): I desire no questions and no answers. It is the principle of the bill I am opposed to, and as the minister has made a brief statement, I would like to say a few words in regard to it.

Mr. GUTHRIE: I think this is an important point of order. When a motion is declared by the chair to be carried, I think the whole House is bound by it.

Mr. GARLAND (Bow River): If we hear it.

Mr. SPEAKER: It is true I declared the motion carried, but there was great noise in the chamber at the time, and that is why in fairness to those who did not hear the question I allowed the minister to make the statement he usually makes on a bill presented to the House.

Mr. GUTHRIE: But we cannot go further than that. If we go into committee now my hon. friend will have every opportunity of discussing it, and I have no doubt we will consent to discussing the principle. If he discusses it now we will have a double discussion.

Mr. GARLAND (Bow River): There will be no effective discussion of the principle of the bill in committee. This bill involves commitments which may amount to over nine million dollars, and surely that is of sufficient importance to entitle hon. members to discuss the principle of the measure. The minister in his little speech certainly made no effort—although I felt that he was uncomfortable when he made his speech—to apologize for the vicious legislation he is introducing, and I say this with all deference and kindness to him. He proposes now to set up a new subsidized industry—just one more, adding to the many that are pressing down on the backs of the taxpayers of the country, and to benefit a small section of the country. The statement that it is going to benefit Alberta coal is wholly ridiculous, and no one knows better than the minister the truth of the remark I made.

Mr. STEWART (Edmonton): I want to put my hon. friend right in that respect. So far as this bill is concerned it will undoubtedly be beneficial to the coking plant now being erected in Winnipeg for Alberta coal, which intended to use American coal.

[Mr. Speaker.]

Mr. GARLAND (Bow River): The problem is as to the amount which can be used. I propose to touch briefly on that, and I trust I can disabuse the minister's mind as to the value of the proposals. The development in Winnipeg is so absolutely limited that it will amount to nothing. I think that statement is absolutely true. Apart from this measure a similar bill was placed on the order paper some two or three years ago by the present minister. That bill met with such disapproval from the ranks of the hon. minister's own party, that, apart from the attitude of the opposition, the bill was withdrawn and not introduced again. The pressure was too strong, but now, under the excuse of the Duncan commission report, they introduce this vicious measure. The Liberal party appealed to the electorate on the basis of low tariff and anti-special privilege and anti-bonus proposition. Now they propose to introduce as vicious a piece of legislation as ever could emanate from the Tory party. No wonder the leader of the Tory party wishes to rush it through. It is in accordance with their principles. It is one of the most alarming and one of the most repellent features of the whole session. It is not only in this matter that they are deviating from their avowed principles; we have had other instances of special privileges and the giving of rights that were extraordinary, in view of the declarations of my hon. friends opposite. We find the Georgian Bay Canal bill being pushed forward. We find the twenty per cent eastern railway rate reduction put through last night in violation of their own ideals, and probably we will have the Russell patent bill, vicious as it is in its principle; and it will be supported by hon. members opposite. Now we have this legislation. I throw up my hands in despair when we find the great old Liberal party sinking into the morass of Tory legislation. This is the most disgusting and appalling feature of the legislation of this session.

As to the general principles of the bill, there is no question that there is an acute fuel area in the central provinces. There is no question that there is an abundant supply of coal in eastern and western Canada to supply the eastern and western provinces. The one great difficulty is the distance of the supply from the market, and instead of attempting to adjust transportation rates through the railway commission, and instead of taking some action to bring into effect the findings of the Board of Railway Commissioners when made, we find the government trying to meet it by introducing legislation of a character tremendously important and overwhelmingly burdensome. I

am astounded at the action of the Liberal administration. The total anthracite shipped into the country is now 5,000,000 tons. The total coke shipped into the country is 668,121 tons. These figures remain relatively about the same one year with another. At page 8 of the publication of the Dominion Fuel Board, entitled, Coke as a Household Fuel in Central Canada, one can find a complete summary dealing with the exports from United States to Canada of coke and anthracite. As to coke being a substitute for and replacing anthracite, there is no quarrel. He says, and I agree,—and that is the apparent idea in this bill—" we are going to replace by this bill a part of the present importations of anthracite by about 2,000,000 tons now being used in the provinces." I find in this same report, which supports the idea of a subsidy for the coking plant, at page 11, a declaration that anthracite prices are bound to become prohibitive. The reason given is the limited supply in the United States, the growing disinclination of the people of the United States to allow exportation of anthracite to Canada, and in addition to that the steady replacement, which would be enormously increased by satisfactory freight rates, of the anthracite by our own domestic coal. But the conclusion the Fuel board arrived at in connection with this was that the ultimate prices of anthracite in Canada will grow to a point where the people will not be willing to use it. It will be too high, and the people will turn their attention to cheaper fuel. The solution of the problem, rather than establishing a bonus or setting up a subsidized industry, is the adjustment of the freight rates. On that point I will quote from a statement of the Fuel board which corroborates that position. I am not quarrelling with the quality of Nova Scotia and New Brunswick coal. It is true that sometimes sulphur contents are too high to make it possible that the first grade quality coke can be produced from it alone.

Mr. MACDOUGALL: No.

Mr. GARLAND (Bow River): I notice that provision is made in the bill for the importation from foreign sources of about 30 per cent of the coal to be used in these plants. If the hon. gentleman who has just said "no," is satisfied and can convince the House that a first-grade coke can be produced from Nova Scotia or New Brunswick coal, then I submit that there is no excuse, if this bill does pass, for permitting the importation of 30 per cent, which is quite a proportion, of other coal.

Mr. MACDOUGALL: The best proof that we can make satisfactory coke out of Nova Scotia coal is that we have been doing so for a number of years. One hundred per cent would be much better but we feel that 70 per cent use of Nova Scotia coal is a step in the right direction.

Mr. GARLAND (Bow River): If that can be shown to the House, it would have been much more patriotic, to use a phrase that has been used so much this afternoon, if the government, if it is sincerely behind the bill had, in introducing it, implied by the very nature of it the use of 100 per cent Canadian coal instead of paying subsidies to plants that will use only seventy per cent Canadian coal. At page 14 of the same publication will be found this statement:

> In other words, if coke produced from these coals can be sold at a price which will give heat units equivalent to other fuels, it will rapidly come into favour.

There is no question about that. But note the hypothesis:

> If coke produced from these coals can be sold at a price—

The question that is worrying me is whether under this scheme we can produce coke so cheaply and economically that people will buy it instead of the anthracite and other coals that are coming in. A couple of years ago I had the pleasure of visiting the city of Troy, New York, and of going over the extensive coking plant they have in that city. I was informed that it was the last word in coke oven plants. I found that that plant was producing 365,000 tons of coke a year, or roughly 1,000 tons a day, but in the production of that the company also produces, as a part of its process, 16,000,000 cubic feet of gas a day. Every authority on coke and on the marketing of coke admits that coke can be satisfactorily and economically marketed only when there is a full and satisfactory market for the gas by-product, which is the principal by-product of the carbonization of coal. In this particular instance in Troy there was a ready market at its door; but I would ask hon. gentlemen to note this and to ask themselves in turn: Is there a single district outside of Montreal and Toronto where similar conditions can be said to exist in Canada? This plant under contract was supplying with gas from its plant no less than the cities of Albany, Troy, Schenectady, Cohoes, Rensslaer, and Watervliet, all of them industrial towns in the Hudson valley. If you can show me any single centre in Canada where little industrial cities or towns are grouped closely enough together to make it possible economically and profitably to dispose of the gas by-product, I

admit there would be some sense in establishing or in assisting in the establishment of coking plants. There is no such situation in Canada excepting, as I said before, the two cities of Montreal and Toronto.

There is another point which occurs to me. If a ready market can be found for the gas and if the coke itself will find a ready market at an economic price, then I submit that there is no necessity for a subsidy. The thing should stand on its own feet if it is a commercial proposition. Why is it necessary to undertake to bonus, to subsidize to the extent of four per cent per annum of the total capital cost of the plant in the case of a municipally owned plant and four per cent in the case of a privately-owned plant, if the thing is economically feasible? If it is not economically feasible, why under heaven launch the country into an undertaking that, under pressure, political and otherwise, may develop in Canada another great subsidized industry sapping the taxpayers in annual payments? That is wrong, and I will go further in a few moments in indicating what the actual cost will probably be if advantage is taken of this measure.

In the United States I find there are several coking plants already established. There is no question as to the economic feasibility of the carbonization of coal provided that a ready market for the gas by-product is found. There are at least five or six plants, in some cases municipally-owned, in other cases privately-owned, where coking has been going on for some time, and in Great Britain and Germany they not only are experimenting but actually have developed quite a number of plants for the carbonization of coal. This same publication, dealing with this point of markets, states at page 21:

> There is a market in Canada for all the coke for domestic fuel that the country can produce, both by coke oven and retort.

There is no question about that. There is in my opinion no superior fuel, not even anthracite, to coke if it is a good coke. I will admit that there is a ready market for the coke itself, but the point is, as I said a moment ago, that unless you can dispose of the principal by-product and the other by-products, the thing is not commercially profitable, and therefore the development of coking plants is not advisable. The report of the Fuel board itself admits that, unless the market for the by-product can be ascertained, it is not feasible. At page 21 the report states:

> Coke ovens cannot be established in every city in central Canada, and can be economically operated—selling coke and gas at fair prices—only where there is a market for the gas.

The report of the Fuel board is very specific and clear on that. We pass on then to a survey of the possibilities in this country, and we find that the board actually undertook a survey of the whole market for gas and coke. They chose several cities which I will name in a moment, but they make this comment at page 29:

> The cities chosen are those where the domestic gas demand is sufficient to warrant installation of ovens and successfully support a by-product coke plant.

But even then the demand would be only half supplied, because under the contention of the board itself, they can dispose of only a fractional part of the total domestic fuel requirements. The only portion which they could dispose of would be the portion dependent upon the market for the gas by-product. The cities and districts in which that survey took place were Montreal, Quebec, Ottawa, Toronto, Port Colborne, Hamilton, London and the border cities. If the total potential market that can be developed for each city and zone is estimated, it would mean a production of roughly in the case of the different towns:

	Tons a day
Quebec	150
Montreal	1,200
Hamilton	232

This is not for city requirements alone; this embraces a whole zone.

Mr. EDWARDS (Waterloo): What is the definition of a zone?

Mr. GARLAND (Bow River): The zone laid down by the fuel board is the territory surrounding a centre in which a plant might be established, throughout which zone, without overlapping other zones, coke could be disposed of.

Mr. EDWARDS (Waterloo): Is the hon. member aware that at the present time gas is being transported more than one hundred miles in Ontario.

Mr. GARLAND (Bow River): I was not aware of that particular fact.

Mr. EDWARDS (Waterloo): It is being transported between Hamilton and Brantford.

Mr. GARLAND (Bow River): I am glad to hear that. I am not disputing the possibilities of carrying gas, because I think gas can be carried a long way, even in this House. At page 29 of the report the statement is made by the Fuel board that with cheap lake transportation of coal and a large market the conditions are most favourable for the installation of a coking plant, and that the

demand for domestic fuel will be only half supplied. I do not think it would be half supplied. Toronto has a market for 1,000 tons of coke a day; that is to say, it could support a plant of that capacity. Ottawa and district can support a market of 300 tons daily, and London a market of 294 tons.

Mr. MACDOUGALL: What statistics is my hon. friend quoting from?

Mr. GARLAND (Bow River): These statistics are taken from the report of the Fuel board entitled, Coke as a Household Fuel in Central Canada. It was published in 1925 by the Dominion Fuel board. It refers to coke for domestic purposes only, and we are not dealing in this bill with coke for metallurgical or other uses of that kind. For that reason I take the report as a basis of discussion. On the basis of an admitted cost of $3,500,000 for a 1,000-ton plant the total capital involved I have estimated to be $12,000,000. The Fuel board itself estimates it at $11,000,000 but in my opinion it would be higher. Putting it at $12,000,000 the interest at five per cent would amount roughly to $600,000 per annum, so that the total involved during the term in which this bill would be operative would be $9,000,000. We are asked to commit this country to an outlay of $9,000,000 for the purpose of establishing a subsidized industry.

Mr. STEWART (Edmonton): That is on the assumption that we use Canadian coal in all these plants.

Mr. GARLAND (Bow River): I hope the minister had in mind the use of a sufficient quantity of coal—

Mr. STEWART (Edmonton): This bill does not provide for the transportation of Nova Scotia coal beyond the city of Ottawa, so that my hon. friend should confine his argument to Ottawa and points east.

Mr. GARLAND (Bow River): I am suggesting the implications of the bill. I have pointed out what would be involved if full advantage were taken of the subsidy.

Mr. STEWART (Edmonton): My hon. friend will note that the bill provides for $1 a ton maximum payment.

Mr. GARLAND (Bow River): As a maximum.

Mr. STEWART (Edmonton): It would take $2.40 a ton to carry Nova Scotia coal to Windsor.

Mr. GARLAND (Bow River): The minister overlooks the fact that both east and west have been struggling for some years to secure a fair railway rate, so that that objection would be at once removed if both sides could get sympathetic action on the part of the administration to which the minister belongs, either in the way of assistance—

Mr. STEWART (Edmonton): The railway rate to be provided would not take freight from Windsor eastward.

Mr. GARLAND (Bow River): The minister is getting fearfully impatient. Perhaps he has reason to.

Mr. STEWART (Edmonton): Not at all; but I do not want the hon. gentleman to cover ground which the bill does not include.

Mr. GARLAND (Bow River): I understood the minister to say that, because of the freight rate, coal from the maritime provinces could not be used under this bill further west than Ottawa. I say to him that as soon as the Board of Railway Commissioners is prepared to do so it can recommend that the government take action in that direction.

Mr. STEWART (Edmonton): The railway commission will have nothing to do with the ninety-cent rate.

Mr. GARLAND (Bow River): Does the minister suggest that the introduction of a lower rate under the Board of Railway Commissioners' cost finding will not result in a greater flow of maritime coal west beyond Ottawa?

Mr. MALCOLM: No.

Mr. GARLAND (Bow River): The Minister of Trade and Commerce interjects, no. That is the very reason why the board was asked to ascertain the actual out-of-pocket cost in order that a rate might be fixed at which coal could be moved to points further west than suggested by the minister. At page 35 of the report the statement is made that the first plants to be established will have the cream of the market. This is a declaration of the Fuel board. Taking as an example the city of Montreal and district we find there a possible market for 720,000 or 740,000 tons, whereas I am informed that it is proposed by a company taking advantage of this bill to erect a 400,000 ton plant. This plant will secure, according to the statement of the Fuel board, which I have just quoted, the cream of the market, and by

this very fact discourage the setting up of other plants. So the free encouragement that the bill proposes would be in itself destructive, in so far as supplying the fuel requirements of the Montreal district is concerned.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

SUN LIFE ASSURANCE COMPANY OF CANADA

The House in committee on Bill No. 107, respecting the Sun Life Assurance Company of Canada.—Mr. Cahan.—Mr. Johnston in the chair.

On section 1—Proportion of profits of participating business to shareholders to be reduced.

Mr. IRVINE: Has this bill been reprinted?

The CHAIRMAN: No, the amendments are noted on my copy.

Mr. CAHAN: The banking and commerce committee did not order the bill to be reprinted.

Mr. HEPBURN: Mr. Chairman, when this bill was before the select standing committee on banking and commerce I opposed it; I have not since had occasion to change my mind, but in fact am more opposed to it now than when it was before that committee. Before the bill is passed I think it would be well for this House to consider it carefully, especially in view of the growing importance of insurance in our economic life. After the usual camouflage, this bill provides that this company may increase its capital stock from $1,500,000 to $4,000,000, and that is one of the main purposes of the bill. This increase in the capital stock will be brought about by means of distributing stock bonuses and not by paid up cash at all, and having done this the company will be able to conceal from the participating policyholders and the policyholders in general the actual profits paid on the capital stock, which is the other main purpose of the bill.

We do not want to be unfair to insurance companies; we realize that they have certain responsibilities and that their stocks are more or less speculative, but in view of the fact that the company has already built up a reserve of $56,000,000 from profits, which fund now is the property of the shareholders, I feel that those shareholders have nothing to worry about.

[Mr. E. J. Garland.]

I would like to place on Hansard a short statement concerning this company. The original paid up capital was $305,000 and in premiums another $120,000, or a total of $425,000 actually paid in cash. In 1921 a special dividend of $350,000 was paid to the shareholders and stock bonuses to the extent of $845,000 have also been issued, making a total of $1,195,000. Adding this to the amount originally paid in, we have the capital of the company amounting to $1,600,000. The nominal dividend is 15 per cent on this amount, and last year profits of $225,000 were divided among the shareholders on the original investment of $305,000, or at the rate of 73.8 per cent. On the total paid in capital, including the $120,000 collected in premiums, the rate was 52.9 per cent. If this bill passes the capital stock will be increased to $4,000,000 by distributing bonuses, and with the usual 15 per cent dividend they will divide $600,000 annually among the shareholders which is equal to 141 per cent of the total cash paid in by the shareholders. At present the company does not need to draw on the profits of the participating policyholders in order to pay the 15 per cent on the $1,500,000 of capital, but to show that they intend to do so if this bill passes and they are allowed to increase their capital, they have provided in the bill itself a fixed rate ranging from 3 per cent to 4 per cent which may be taken from the policyholders, so that there can be no question as to their real purpose, and I do not think this is fair to the policyholders. When the president of the company appeared before the banking and commerce committee he said that the policyholders were in agreement with the shareholders in this move and that they had approved of the action of the company at the annual meeting. I doubted that statement very much, so as a member of the committee I asked how many policyholders were present at the annual meeting and I think he said there were fifty. I question very much whether there was one of those policyholders who did not have some interest other than that of an ordinary policyholder, but even granting that fifty policyholders were present out of 500,000, that means only one out of every 10,000 was present at the meeting. No formal notice of the meeting was sent to the policyholders, though the president said that some sentence on the company's receipt form advised policyholders of the meeting. I am satisfied that perhaps almost 100 per cent of the policyholders who have no other interest in the company would be opposed to this bill, because it means that the company will be enabled to take money out of their pockets to swell the dividends of the shareholders.

I do not want to ask the House to take my word for it, so I have here some of the evidence given by the former president of this company before the Royal Commission on Life Insurance in 1906. The extracts which I am about to read are found at page 2802 of the evidence taken before that commission, where in reply to a question about the capital, he said:

> I have been repeatedly requested to allow shareholders to pay up more and I have always refused. . . . Simply because we did not need the money.

The examiner made the following statement:

> That is an excellent reason. You did not need the money, and there was no reason why you should permit shareholders to put in more money to be drawing down interest.

His reply was as follows:

> Taking away more of the profits belonging to the policyholders. Of course I fully appreciate that I am under oath and you want all the information that I have. The reason that guided me particularly in refusing was always that it would be a tax on the policyholders.

Now I have a great deal of respect for the Superintendent of Insurance for the Dominion, Mr. Finlayson. I think he is one of the very few men who will not be swayed by any influence other than his own good judgment. I know that he is opposed to this bill and rightly so. It is unfair to the policyholders; it is almost a breach of contract with the policyholders. In the second place when the camouflage is removed it is nothing more or less than an attempt to conceal the actual profits being paid to the shareholders. I pointed out that they will be enabled to pay $600,000 annually, or at the rate of 141 per cent, if this bill goes through. This principle has been put in force by so many companies and corporations in Canada that its effect is like that of the tariff—it is bearing too heavily upon the public. I think if there is anything this parliament can do to stop this practice it should be done, and I for one intend to vote against this bill on its third reading.

Mr. IRVINE: I opposed this bill in committee; I am glad of the opportunity of opposing it again to-night. When the bill passed committee I do not think one-third of the membership was present owing to the fact that there were other committees sitting simultaneously. I am of the opinion that if we had had a fairly good representation in the committee the bill would not have passed. It passed by a very small margin as it was.

I wish to oppose this bill chiefly because I regard it as a device by means of which the shareholders of the Sun Life Assurance Company will be permitted to collect a larger toll from the profits of the policyholders. This is not the first device which the company has practised in this regard. I wish to substantiate that statement by quoting briefly from the report of the Royal Commission on Life Insurance, dated February 28, 1906. I quote from page 20 of that report:

> During 1891, and the first half of 1892, dividends at the rate of twelve per cent, and since and including the latter half of 1892, at fifteen per cent, have been declared, besides the bonus of 2½ per cent upon the old stock in 1897.
>
> Carrying to the credit of the shareholders' account the ascertained proportion of profits and interests has not, however, enabled the company to pay these dividends, and from time to time the directors have resorted to various devices for the purpose of increasing the shareholders' account, so as to enable it to pay the dividends which have been paid.
>
> The first of these devices was to credit the practically defunct accident branch with considerable sums of money, upon the theory that that branch in years past had been charged more than its proportion of the general expenses of the company. The accident branch being so credited out of the current profits, the sums so credited were brought into the shareholders' account, for the purpose of augmenting it and so enabling the dividends to be paid. Three sums were so credited to the accident branch and brought in to the detriment of the policyholders; $2,000 in 1895; $4,000 in 1900; and $30,000 in 1902; and the evidence is that there are still at the credit of the accident branch considerable sums of money, the intention being to bring these also into the shareholders' account. It is manifest that in revising the charges made in past years to the accident branch, the directors of the present day have undertaken to overrule what may be presumed to have been the well informed and deliberate decision of the directors of former years as to the proper proportion of expenses to be charged to that branch, and your commissioners think it clear that the revision was undertaken solely as a device for maintaining the shareholders' account.
>
> Another improper means by which the shareholders' account has been enabled to provide the dividends paid to shareholders is by similarly revising the rate of interest allowed upon capital in addition to its share of the profits in past years. The method adopted has been to go through the years as far back as 1877 and to allow, instead of the rates which were allowed, a rate of six per cent, which has been imposed at six per cent, compound interest, from 1877 down. The result of this has been to bring into the shareholders' account $9,088.34 (in 1901).
>
> A third method of swelling the shareholders' account has been to go back to the year 1897, when the new capital was issued at a premium of $30 per share, and to bring into the general shareholders' account interest, compounded at six per cent, upon that premium. This revision of the earlier dealing with this premium, to the prejudice of policy holders, was also, in the opinion of your commissioners, improper. In this way the shareholders' account was swollen in 1905 by the sum of $37,930.73.

I think that extract, Mr. Chairman, will be sufficient to show that the company is not beyond practising devices for the purpose of increasing the profits of the shareholders.

Now I want to have a look at section 1 for a minute. Section 1 provides that at the end of the present year the percentage of participating policyholders' profits taken by the shareholders shall be reduced to four per cent. This is fixing the rate to be received by statute, and by so fixing the rate the shareholders are deprived of the privilege of reducing the percentage of their profits even if they should desire to do so. Subsequently it is provided that there shall be reductions to 3½ per cent and 3 per cent. First, I protest against the fixing of these profits by statute. But the most objectionable phase of the first section of the bill is that it represents the company as being magnanimous. It will sound good to be able to say that they are only being paid four per cent. But when we take this section into consideration with sections 2 and 3 we will find that the company is not as magnanimous as would appear under section 1. I shall have occasion in a few minutes to refer to the meaning of this as brought out in sections 2 and 3. Meanwhile I would point out that section 1 of the bill represents a curtailment of the power of the shareholders to reduce the percentage of profits by a majority vote. It appears to do something in favour of the policyholders, while really it is strengthening the position of the shareholders at the expense of the former. It is very doubtful if any considerable percentage of the policyholders of this company know anything at all about this bill, and it is to be doubted if any percentage of those that do know understand its real significance; for unless one clause were explained in relation to the other it would be very difficult for an ordinary layman, unless he was looking for it in particular, to know just exactly what is the real meaning of the bill.

Now I want to deal with the second section of the bill, and I ask, why this company should desire to increase its capital? The reason why any company would want to increase its capital would be, I suppose, one of two. It might want to increase its capital in order to make the company more stable. For instance, if there is too narrow a margin between the assets and liabilities of the company it might be advisable to increase the capital. I do not think, however, that the Sun Life Assurance Company of Canada would like the people of this country to believe that the reason why they are asking for this increase in capital is in order to stabilize the company because of there being too narrow a margin between assets and liabilities. Indeed, there is no such danger.

There is another reason why a company might wish to increase its capital, and that is in order to draw greater profits. If this company is in need of more capital to guarantee the stability of the company, then perhaps it would be the duty of parliament to pass this bill; but if, on the other hand, the company is in good financial standing and further capital is not required for good business reasons, then an extra two million dollar capital would simply be an extra burden on the company, and the profits paid thereon would not have been honestly earned. Moreover, all such profits must eventually be gathered from the policyholders. If this latter be the position obviously parliament would be doing a very great wrong in passing this bill.

I propose to inquire into the position of the company in this regard: Does the Sun Life require an additional two million capital? Before referring specifically to the financial position of the company and to the shareholders, I wish to make an observation or two in a general way in respect to capital in relation to the insurance business, and then to refer specifically to the paid up capital of this company.

There is a very great doubt, Mr. Chairman, whether capital is required at all in insurance companies. We will all agree that in most business enterprises capital is essential, and we might even go so far as to say that in the initial stages of an insurance company a certain amount of capital is essential. But when the insurance company has become established, then the more capital it has, the more dangerous it is for the company, for that capital is unnecessary; it becomes an additional burden upon the company. Writing insurance is the best insurance for an insurance company. If the stability of any established insurance company in Canada were to depend upon the amount of capital subscribed, there is not one of them that is safe; but that is not the basis of their stability. The basis of their stability is their policyholders and the business that they do. The insurance business is the safest business in the world, and capital is the greatest hindrance that it has. If we are going to permit this company after it has been established for so many years to increase its capital now that it has become so prosperous that it does not know what to do with its

profits, I think we should be very remiss in our duty indeed. All that one has to do is to imagine that the amount of profits now being paid on the capital stock of insurance companies were left to swell the reserves; we can readily see how much better the position would be in that case. But if you increase that capital, an extra charge for profits will be made directly on the policyholders, and to that extent you would embarrass the company.

That capital is not required in well-established insurance companies may be proved by the tendency to-day towards mutualization. Some of the greatest insurance companies in the world have become entirely mutual. For instance, we have the Prudential Insurance Company mutualized. Then we have that company which is I believe the greatest of its kind in the world, the Metropolitan Life Insurance Company, with its Canadian head office in this city; that company, I believe, is entirely mutual. I understand that the stockholders were bought out for one-third the value of the stock at the time the change was made. The company is now a mutual one, and its shareholders are its policyholders. Not one cent of profit is taken from the earnings of the company to pay stockholders.

Therefore, Mr. Chairman, I say that it would be more in keeping with the modern tendency if the Sun Life Assurance management were taking steps towards mutualizing the company and doing away with all stock whatsoever, rather than trying to increase its capital, which would mean the gathering of more profits from the policyholders.

Again, the policyholders do not need additional capital for their security. On the contrary, it is a detriment to the policyholders, because it will involve paying a larger amount of the participating policyholders' profits to the shareholders than would otherwise be necessary to provide reasonable dividends. If we authorize the increased capital asked for in this bill, it will no doubt be distributed in the way of stock bonuses or special dividends to which the participating policyholders will be called upon to subscribe.

The present paid up capital of the Sun Life Assurance Company is $1,500,000. Let us stop to realize that no other insurance company in Canada has such a large subscribed capital. Indeed, no other company has a capital exceeding $1,000,000, and yet we have one of the greatest, perhaps the greatest Canadian company not satisfied with that amount of capital but coming here and asking us to increase it. Of that present paid up capital of $1,500,000, $1,195,000 has been paid by way of stock bonuses or special dividends, and only $305,000 has been paid in cash by the shareholders. I want you to take notice of this, Mr. Chairman. The annual amount required to pay the dividend is now $225,000, so the shareholders of the Sun Life Assurance Company collect 73 per cent annually on their investment, that is 73 per cent on the amount of money that they actually put into this company. If the capital of the company is increased to $4,000,000, as is asked for in this bill, and is distributed by way of stock bonuses or special dividends, as will almost certainly be done, and if the present rate of dividend of 15 per cent is continued, the amount annually required for shareholders' dividends will be $600,000. The amount of capital actually paid in to the company in cash by the shareholders would remain as at present, $305,000, and the annual dividends therefore would represent 197 per cent profit per annum on the capital originally invested in the company. Surely a condition of that sort is worthy of the attention of this committee. Surely when these facts are placed before us we shall realize our responsibility to the policyholders, who may be regarded as the general public. These profits can only be paid at the expense of the policyholders. The profit which now goes to shareholders on unnecessary capital should either increase the profits of policyholders or go to the reduction of the cost of insurance. Policyholders' funds are virtually trust funds. In this regard I wish to make another short quotation from the report of the commission already referred to, under the heading, "The relation of directors to policyholders and their interests, including questions of individual or concentrated control, and the powers and duties of directors with regard to investments and management generally":

> It seems to the commission of importance to define the nature and position of the funds resulting from the operation of insurance companies. Save in so far as capital stock plays a part, these funds are either a reserve kept in hand to discharge the insurance obligation or a surplus resulting from a charge upon the persons insured in excess of what it has cost to insure their lives. The policyholder contributes both reserve and surplus, and where business is done upon the participating plan it is the surplus moneys that are called profits.

A little further on I read:

> And what is the character of these funds? Are the purposes to which they are being devoted consistent with that character? Your commissioners have no doubt that accumulated insurance funds are, in every essential particular, trust funds. They belong to the policyholders and not to the shareholders. The directors are not in possession of them as

trading capital in any sense or to any degree. They are not subject to trading risk. They are held in trust for investment and to be eventually paid to those whose moneys they are. Being trust funds the function of the directors in regard to them is the function of trustee. Once the subject is put upon this simple basis the criterion for determining the proprietary of any particular dealing by the directors with these funds also becomes simple. Ought a trustee to do this with trust funds? Once this is recognized as the test, all difficulty disappears.

I think I will be able to indicate before I am through that this company has enjoyed the trust funds in a manner which can scarcely be considered as proper under the conditions which should govern these funds as laid down in the report of the commission which I have quoted. The quotation which I have just given indicates the broad vision of the trusteeship and service which should be found in life assurance companies. Compare the quotation which I have just given with the apparent attitude of the company mentioned in the bill, which notwithstanding that it is now paying seventy-three per cent on its shareholders' capital, and notwithstanding the fact that it is drawing annually the amount of $300,000 upwards for this purpose, now declares that it will never reduce the present percentage of the participating policyholders profits below five per cent unless it is permitted to increase its capital to $4,000,000, which will enable it to pay 197 per cent per annum to its present shareholders, while all the time appearing to pay but 15 per cent.

Now we come to section 3, and this is where another phase of the device to which I referred in my opening remarks becomes apparent. Section 3 permits the par value to be reduced from $100 to $10 a share. The object of this is to enable the directors to quote dividends of so much per share rather than so much per cent. Suppose the shares remained at $100 and the regular dividend is increased 40 per cent or $40 per share, this rate would look bad to the public. If, however, the capital shares are reduced to $10 the dividend will be only four per cent per share, which looks much better because the public will not know that the par value of the shares has been changed and will therefore be led to believe that $4 per share means 4 per cent and not 40 per cent as is the case. That is really the meaning of clause 3.

The three sections of the bill which I have reviewed can only be described as I have described them—as a device by means of which this company will be able to get a larger share of the company's earnings which properly belongs to the policyholders. This I say is an act which is discreditable to the company concerned. I ask this House to defeat this bill in the interests of the company itself, for if the real meaning of this bill ever becomes known it would bring about a very serious setback to the company. Once let the policyholders of the Sun Life realize that parliament has authorized the shareholders of the company to make a profit of 197 per cent next year on their investment, and that to be taken from the earnings of the company, which really belong to the policyholders, and the Sun Life will receive the worst setback of its existence.

Let me now place on Hansard a comparison between the non-participating rates, twenty pay life, at age thirty-five, of the Sun Life and other companies. This will be a comparison between the Sun Life and A, B, C, D, and E companies. The table is as follows:

NON-PARTICIPATING RATES—20 PAY LIFE—Age 35

Year	Sun Life	Company A.	Company B.	Company C.	Company D.	Company E.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
1895	28 55	28 30*	.....	28 70†	.....	.....
1900	30 45	29 20	.....	31 10	31 35	32 60
1905	30 95	29 70	31 10	30 95	31 35	30 95
1910	30 95	29 70	31 10	30 95	29 75	29 75
1915	30 95	29 70	29 75	29 75	29 75	27 39
1920	31 05	28 75	29 75	29 75	28 55	29 75
1925	31 05	28 05	28 65	28 20	27 38	27 75

*1898. †1896

So that it would appear to me that if large profits can be made for the shareholders on unnecessary capital stock, it would be advisable rather to devote such profits to the reduction of insurance rates.

[Mr. Irvine.]

I want also to refer to the shareholders' surplus account. The following figures cover the period from 1917 to 1926, under headings of: Regular Dividends, Special Dividends, Stock Bonuses, Interest Credited, et cetera:

SHAREHOLDERS' SURPLUS ACCOUNT

Year ended Dec. 31	Regular Dividends	Special Dividends	Stock Bonuses	Interest credited	Profits from	
					Non-participating	Participating
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
1917	52,500 00	.....	.....	24,973 61	.....	73,863 85
1918	61,875 00	.....	125,000 00	26,569,27	15,000 00	77,104 26
1919	73,125 00	.....	25,000 00	29,206 24	.....	82,410 75
1920	75,000 00	350,000 00	.....	31,129 58	350,000 00	77,869 65
1921	101,250 00	.....	.....	54,795 67	.....	87,664 49
1922	127,500 00	.....	.....	56,982 83	.....	109,765 89
1923	159,375 00	.....	.....	57,456 04	.....	150,532 23
1924	127,500 00	.....	.....	64,193 17	.....	231,341 36
1925	129,974 38	.....	.....	96,666 31	500,000 00	390,490 74
1926	206,199 03	.....	500,000 00	137,400 24	.....	350,841 77
	1,114,298 41	350,000 00	650,000 00	579,372 96	865,000 00	1,631,884 99

		$ cts.	$ cts.
1917-1926	Total Regular and Special Dividends		1,464,298 41
	Less—Interest credited	579,372 96	
	Non par profits transferred	865,000 00	
			1,444,372 96
			19,915 45
	Stock bonuses		650,000 00
	Balance, which must have been provided from participating profits transferred		669,915 45

There is another very interesting summary to which I would like to refer. This deals with non-participating and shareholders' surplus fund from December 31, 1921, to 1926. It might be noted that the surplus in this fund belongs wholly to the shareholders. I will not trouble to read the details of this page of figures, I will ask the permission of the House to place it on Hansard.

Mr. CAHAN: I object.

Mr. IRVINE: If the hon. member objects, I shall be glad to read it all. Perhaps that will suit my hon. friend a little better. I was trying to conclude my remarks in time to have this bill come to a vote. The statement is as follows:

NON-PARTICIPATING AND SHAREHOLDERS' SURPLUS FUNDS—DEC. 31, 1921 to 1926

—	1921	1922	1923	1924	1925	1926
Non-Par Fund (The surplus in this fund belongs wholly to the shareholders).	$	$	$	$	$	$
1. Reserve	22,564,622	25,946,862	31,008,529	40,721,175	46,475,019	51,458,045
2. Instalments and amounts on deposit	1,976	2,885	5,375	3,960	3,515	.....
3. Provision for unreported claims	18,000	21,000	31,000	35,000	35,000	40,000
4. Contingency reserve	118,811	181,824	272,457	476,127	11,210	168,263
5. Surplus	1,268,598	1,625,514	2,136,409	2,274,127	3,532,939	4,691,833
6. Total	23,972,007	27,778,085	33,453,770	43,510,389	50,057,683	56,358,142
7. Increase in surplus for year	.....	356,916	510,895	137,718	1,258,812	1,158,894
Shareholders' fund (The balance of this fund belongs wholly to the shareholders).						
8. Transferred from non-participating	.....	.....	.....	.....	500,000	.....
9. Transferred from participating	.....	109,766	150,532	231,341	309,491	350,842
10. Interest credited	.....	56,983	57,456	64,193	96,666	137,400
11. Other credits	.....	90	32	.....	.....	31,650
12. Total credits	.....	166,839	208,020	295,534	906,157	519,892

Mr. WARD: May I ask the hon. member a question?

Mr. IRVINE: I would allow him to ask two questions.

Mr. WARD: Does the hon. member happen to be a policyholder in this company?

Mr. IRVINE: I am sorry to say that I am not. If I were a policyholder I would speak even longer than I am going to.

Mr. BELL (St. Antoine): Is the hon. member connected with the Metropolitan Life directly or indirectly? Is that one of his reasons for endeavouring to talk out this bill?

Mr. IRVINE: That is a suggestion which could come only from a certain type of mind. I must say emphatically that I have no connection directly or indirectly with the Metropolitan Life. I am not even a policyholder, and as the company has no stock I could not hold any stock. I am not working for that company.

Mr. JACOBS: Is the hon. member not a member of an eternal life assurance company? Is he not a preacher?

Some hon. MEMBERS: Oh, oh.

Mr. IRVINE: I was waiting until the hilarity on account of the witless remark of my hon. friend had subsided. His remark is just about as wide of the mark as he usually is with his sallies. Of course I recognize his sharpness and at times his pointlessness. Well, taking his remarks whence it comes, I hope he will have external and internal and eternal insurance.

Mr. BELL (St. Antoine): Are these views the personal views of the hon. member or those of Mr. Trotzky?

Mr. IRVINE: That is the best joke tonight and hon. members do not laugh at it. I do not know what the views of Mr. Trotzky are on anything but if Trotzky is a very bad man, I should say that he must have drafted the bill which is now before the House. I cannot conceive of any Trotzky going beyond this in injustice and unfairness. This bill is nothing short of a constitutional and moral way of pilfering other people's money. I say it is moral because it is generally done, and it will be constitutional if we pass this bill. Nevertheless it is a means by which the shareholders of the company may pilfer the pockets of the policyholders. Having answered my hon. friend's question I proceed now to give the rest of the statement.

Mr. BIRD: Has the hon. gentleman any connection with St. James street, Montreal?

Mr. IRVINE: I have about as much connection with St. James street, Montreal, as I have with Trotzky, and I do not imagine that I should be any more welcome with one than with the other. The statement continues:

Regular dividends declared to shareholders	$ 127,500	$ 159,375	$ 127,500	$ 129,974	$ 206,199
Special dividends and bonuses	.....	.....	.....	.....	500,000
Other charges	23,000	23,137	24,282	60,301	88,097
Total charges	$ 150,500	$ 182,512	$ 151,782	$ 190,275	$ 794,296
Balance of S. S. Fund	$ 72,931	$ 89,270	$ 114,778	$ 258,530	$ 974,412	$ 725,008
Paid-up capital	850,000	850,000	850,000	850,000	1,000,000	1,500,000
Total	$922,931	$ 939,270	$ 964,778	$1,108,530	$1,974,412	$2,225,008
Accumulation of (7) + (8) + (9) + (10) less (13) at 5%	$1,365,243	$1,993,013	$2,398,416	$4,553,332	$6,221,936

*Pre-1903 business brought from 3½% to 3% reserve basis.

I am sorry I was forced to weary the House with the reading of these items, but I have another table which I am anxious to have appear in conjunction with the foregoing. I do not wish to take up the time of the House reading it, and if hon. members will give their consent I am prepared to hand it to Hansard.

Some hon. MEMBERS: Read it.

Mr. IRVINE: Very well, I appreciate the taste which hon. gentlemen appear to have cultivated for figures. It promises well for the consideration of the estimates, which no doubt will be taken up shortly. The following table has reference to amounts received or credited on account of capital.

Mr. SPENCER: Can the hon. gentleman give the total assets of the company at the present time?

Mr. IRVINE: I hope my hon. friend will not interrupt me until I have read the table:

RECEIVED OR CREDITED ON ACCOUNT OF CAPITAL

Year	Cash payments by shareholders	Application of special dividend	Stock Bonus	Premium	Subscribed capital at end of year
	$	$	$	$	$
1875	50,000				500,000
1877			12,500		500,000
1897	30,000		12,500	60,000	700,000
1910	75,000		70,000	60,000	1,000,000
1915			100,000		1,000,000
1918			125,000		1,000,000
1919			25,000		1,000,000
1921		350,000			2,000,000
1925	150,000				2,000,000
1926			500,000		2,000,000
	305,000	350,000	845,000	120,000	

Cash paid by shareholders—			
Capital	$ 305,000		
Premium	120,000		
		$ 425,000	
Credited to shareholders from profits—			
Special dividend, 1921	$ 350,000		
Stock bonuses	845,000		
		$1,195,000	
Total, Capital	$1,500,000		
Premium	120,000		
		$1,620,000	

Assuming that the dividends are now at the rate of 15% of $1,500,000, or $225,000 per annum, and that following the increase in 1897 they were 15% of $105,000, or $15,750 per annum, we have the following percentages:—

Dividends per cent of—	
(a) Capital paid by shareholders—	
1897	19·7%
1926	73·8%
(b) Capital and premium paid by shareholders—	
1897	11·2%
1926	52·9%

It being nine o'clock, Mr. Speaker, I move that the committee rise.

Mr. SPEAKER: The hour for the consideration of private bills having expired, the House will now revert to the previous order.

RAILWAYS, CANALS AND TELEGRAPH LINES

Mr. A. M. YOUNG (Saskatoon) presented the eighth report of the select standing committee on railways, canals and telegraph lines.

Mr. YOUNG (Saskatoon) moved:

That the recommendation contained in the eighth report of the select standing committee on railways, canals and telegraph lines for the printing of 500 copies in English and 200 copies in French of evidence being taken by said committee respecting bill No. 78, an act respecting the Montreal, Ottawa and Georgian Bay Canal Company, be concurred in, and that rule 74 be suspended in relation thereto.

Mr. GARLAND (Bow River): I would like to know my standing in this matter. I understood that we reverted to the order of business being debated at six o'clock.

Mr. SPEAKER: The presentation of this report can only be done with the unanimous consent of the House, in order to facilitate the business of the House.

Mr. ROSS (Kingston): What is the effect of this report?

Mr. SPEAKER: It is simply a request that the evidence taken before the committee in relation to this particular bill be printed, and that rule 74 in connection therewith be suspended.

Mr. STEVENS: I remember that the committee requested that the evidence be printed for the convenience of members of the committee and of the House.

Mr. SPEAKER: By unanimous consent.

Motion agreed to.

BONUS TO COKING PLANTS

PRODUCTION OF DOMESTIC FUEL FROM COAL MINED IN CANADA

The House resumed consideration of the motion of Hon. Charles Stewart (Minister of Mines) for the second reading of Bill No. 233, to encourage the production of domestic fuel from coal mined in Canada.

Mr. GARLAND (Bow River): When the House rose at six o'clock I was drawing attention to the report of the Dominion Fuel Board entitled, Coke as a Household Fuel in Central Canada, Bulletin No. 5, from which I quote:

> Although there is room for a plant in all the cities mentioned, the first plants built will have the advantage of picking the cream of the market.

This bill proposes to encourage the establishment of those first plants, and I submit if that is the case the bill by its very nature will prevent the accomplishment of its alleged purpose, namely, the establishment of adequate coking facilities in all the centres capable of maintaining such plants, to supply 50 per cent of the domestic fuel requirements of the two central provinces. Therefore this legislation will discourage private investments later. If on the other hand the bill did take cognizance of this danger and prevented the organization of a company under the subsidy until that company was prepared to erect a plant sufficiently large to take care of all the requirements of that particular zone, the bill would then create a subsidized monopoly unless steps were taken to control the prices at which both coal and gas would be sold. Let me give an illustration. According to the report the city of Montreal has a potential market, including the surrounding district, for 870,000 tons of coke per annum. That estimate is arrived at by estimating in turn the quantity of gas which can be sold economically. I am informed that a company is being formed to take advantage of the bill and erect a plant with a capacity of only 400,000 tons, which means that a market for 470,000 tons will be left for those who come later, but if the cream of the market is taken by the first plant I submit that it is most improbable that any further investments in coking plants will be made in Montreal. If on the other hand the bill insisted on the construction of a plant in Montreal capable of producing the total coke requirements of that district a subsidized monopoly would be created which would be even more vicious than the first proposal. You create a monopoly subsidized by the government of this country, the government having no control over the rates at which either gas or coke may be sold.

There is one other point. This bill proposes to encourage the establishment of coking plants producing gas in large quantities in centres where to-day there are plants developing gas the owners of which had the initiative to open up and develop the field, and who have already made heavy investments. You now propose to put up a subsidized gas producing plant side by side with an industry which in many cases is struggling to get along. Let us take for example the city of Ottawa, to which the minister referred as one of the cities which would be affected under this bill. In the city of Ottawa we have a gas company; I am paying gas rates and it is my opinion that the charges are not exorbitant. Now it is proposed under this bill to subsidize a second company to sell gas in competition with the company already established and which has already made its investments and commitments. That I consider to be most unfair in every way.

Mr. STEWART (Edmonton): I think I can save my hon. friend a lot of useless argument which he is presenting at the moment with the very best intentions, if I tell him it is not proposed to subsidize these plants for the purpose of creating a monopoly. It is simply desired to get them to utilize Canadian coal in preference to American coal. The price of the American product will always regulate the price in Canada, the duty being left off, and we are simply attempting to substitute Canadian coal for that imported from the United States.

Mr. GARLAND (Bow River): The delightfully ingenuous argument of the minister is not at all convincing. I am showing as plainly as possible the fact that if the full requirements of each zone are supplied under this bill we will be creating a monopoly, no matter what the minister says and no matter what may be the intention of the administration.

Mr. STEWART (Edmonton): Suppose the zone is supplied at present with American coal; what would be the difference in supplying that zone with Canadian coal?

Mr. GARLAND (Bow River): I agree that it would be preferable to consume Canadian coal under fair economic conditions, but if the minister studies Hansard subsequently and allows himself a little more time for consideration he will realize that if advantage is taken of the bill to the degree which the Fuel

board indicates, irrespective of the minister's opinions or intentions we are creating a subsidized monopoly with subsidized plants taking care of these requirements. The only consideration which will enter into it will be the competition of imported anthracite and coke.

Mr. STEWART (Edmonton): I am not finding fault with my hon. friend's argument, but when it is argued that we are creating a monopoly, I say that no monopoly could be created for the simple reason that we are doing nothing under the sun except proposing to grant a sufficient sum to encourage plants that otherwise would use American coal. Take the plant proposed to be established in Montreal. There is no definite assurance that its promoters will avail themselves of this assistance to use American coal; I hope they will not. They are proposing to build a plant in Montreal capable of turning out 400,000 tons of coal. All we are attempting to do is to get them to use Canadian coal instead of American. That is all, nothing more.

Mr. GARLAND (Bow River): If the minister cannot see it by this time I have failed utterly in my attempt to persuade him that the effect will be what I have stated. I agree entirely with the minister—

Mr. STEWART (Edmonton): May I say that I agree with my hon. friend that there cannot be a plant unless there is a distributing system already owned by the municipality or by private corporations?

Mr. GARLAND (Bow River): The minister is quite right in this respect, that a 400,000 ton plant will not create a monopoly, but it will discourage the building of other plants to meet the requirements of the other 470,000 tons for the reason that is given in this report—that the cream of the milk having been skimmed off by the first plant to take advantage of any subsidy, only the dregs will be left for those who come after. I follow that up by stating that if the bill had taken the precaution to provide for meeting all the coke requirements in each zone, then you would have a plant established able to take care of 870,000 tons, and so you have the creation of a monopoly. There you have the argument placed for the third time before the committee.

I now come to deal—

Mr. WARD: Before the hon. gentleman leaves that point will he permit me to direct a question to the Minister of the Interior?

Mr. GARLAND (Bow River): No; I am afraid not.

Mr. WARD: I think it will further elucidate the point you are making.

Mr. GARLAND (Bow River): You may make a speech afterwards. I have the floor, and if I yield to your request I am afraid it may imperil my rights.

Mr. SPEAKER: Order. All this is very irregular. The hon. member for Bow River has the floor and may not be interrupted without his permission.

Mr. GARLAND (Bow River): I come now to the other by-products. The possibility of a gas market for these coking plants is discussed in this report, but to my amazement it occupies only two pages, and there is no indication whatever—either by survey, inspection, by tabulation of statistics, or by a compilation of any figures—as to the potential markets for gas. There is no indication whatever in it that there will be a market available for the gas to be produced from these plants.

Ammonia sulphate is the next by-product, in point of volume, from the carbonization of coal. At page 44 there is one short page given to discussing the market possibilities in this country, in one sentence of which the limited nature of the market at the present time is indicated by the statement that "an educational campaign, if properly attempted, should create a demand for home consumption." There is no doubt but that there is a market for ammonia sulphate in the West Indies and some other places where they have been using it for some time. Possibly the plant at Montreal could dispose of its surplus in that way; but the other plants at Ottawa, Toronto, or wherever they may be established, would find it very difficult to take advantage of the proposal from an economic standpoint. Of course if a plant were established in Quebec, it could avail itself of the ocean transportation to the West Indies.

The next by-product is light oils. Now the report itself definitely lays down the statement that in plants of 500 tons carbonizing capacity per day, or less, it is not profitable to recover the light oils. The suggestion is made that they should be left in the coke, and to that degree at least add more bulk and more volatile matter to it, but you would be losing a valuable by-product by so doing. I understand that in England and in Germany, since the close of the war many investigations and experiments have been carried on in this line of work their endeavour being to reduce the

minimum quantity of gas produced from coal and increase in proportion the light oils available, which of course would be very valuable; but unless the plant is capable of producing at least 1,500 gallons per day, the extraction of oil is not profitable. When we take the figures I have quoted this afternoon showing the total production per day per plant in the zones outlined in the report, in only two instances will it be found profitable to put up a plant of this nature and produce and take out the oil as one of the by-products. Tar products, of course, are always valuable and readily disposed of. There would be eight or twelve gallons to every ton.

As to breeze, that product could be disposed of to industrial steam and other furnaces, or could be disposed of to a limited extent in the plant itself.

Now at pages 114 and 115 of the report I find estimates given of the cost of plants. I gave the House this afternoon an estimate of my own of the cost of a plant producing a thousand tons of coke per day. That estimate was based on the cost of the Troy plant, one of the most efficient and up-to-date plants in North America to-day, and which was visited by some hon. members opposite as well as the members of the committee a couple of years ago. The Troy plant cost about three and a half millions, but the labour conditions in the plant, and in the district surrounding it, were deplorable. I asked hon. gentlemen who were there if they were not struck by the pallor, the emaciation, the miserable, wretched physical condition of the workers and their families within the vicinity of both the blast furnaces and the coking plant. I found out on examination—by inviting statements from some of the foremen and others—that the wage paid ordinary labour in the plant was 42½ cents an hour. The highest wage paid in the plant was paid to technical workers, that is expert men like the acetylene welders, or men engaged in work of that mechanical character. They are paid 75 cents an hour. This condition in the United States where conditions are supposed to be so splendid. Forty-two and one half cents an hour for the average labour; 75 cents an hour for the expert or dangerous labour. I asked: How many hours a day do you work? And to my utter amazement I found that these men in the plant were working twelve hours a day.

Mr. COOTE: As bad as the House of Commons.

Mr. GARLAND (Bow River): Just as bad as the House of Commons. On receiving that answer I asked if the workers were allowed off time for their meals. I found that they were not; they were compelled to eat their meals while the work was in progress. I submit that similar conditions should not be created in this country. If coking plants are to be put up I submit that the workers should be paid reasonable wages and should work under proper conditions. Turning to page 114 I find the estimate given there is not much below the one I gave the House. Let me quote:

> The plant in table XXI would as a rule consist of a single battery of ovens, from 45 to 60 ovens in the battery, the number of ovens being dependant on the size of oven, style or type, and the coking time. The coking time plays a very important part in the physical characteristics of the coke produced. Such a plant should produce about 7,300 M cubic feet of surplus gas per day and 700 tons of coke. The coke yield varies with the grade of coal used and the plant practice, a yield of 70 per cent commercial coke from dry coal being a fair average.
>
> The expense items in the table are the usual ones allowed and are conservative. The labour rates are based on Canadian conditions. Such a plant would cost about $2,500,000 for a 700-ton plant.

Let us glance for a moment at the table of expenses. We find there—and may I call this to the attention of the Labour party in this House—that ordinary labour is estimated at 50 cents an hour, and repair labour 60 cents an hour. Think of it, Mr. Speaker. We are proposing to establish an industry in this country, paying the employees 50 cents an hour for ordinary labour and 60 cents an hour for repair labour. The table of expenses given in this report is as follows:

Expenses	Per ton dry coal
Operating labour (50 cents per hour)	$0.750
Repair labour (60 cents per hour)	0.180
Repair material	0.200
Supplies and lubrication	0.050
Fuel	0.400
Tank car rental	0.030
Switching	0.020
Manufacturing materials	0.150
Power and water purchased	0.120
Miscellaneous other expense	0.050
Total operating expense	1.950

Adding the coal cost to the fixed charges and the expense of operation gives a total cost of $9.46.

Now I turn to a publication entitled "Some New Aspects of Low Temperature Distillation," by Harold Neilsen, at the request of the Smoke Abatement League of Great Britain. On page 6 this expert on European

coking plants and European methods lays down this doctrine:

> In my paper before the South Wales Institute of Engineers, in April, 1922, I drew specific attention to this, and tried to prove that unless this figure is low, the economic success of any low temperature distillation process is highly problematical. It will take too long to go into details of the production costs here, but it will suffice to say that the overall costs today per ton of raw material treated, including:
>
> Depreciation on capital cost, including foundations and buildings and complete plant,
> Fuel for carbonising,
> Cost of handling material,
> Power and steam,
> Labour,
> Maintenance and stones, etc.,
>
> should not exceed 4s. per ton.

That is about $1 per ton. The figure given by the Fuel board is roughly $2, $1.95 to be exact, so we are 100 per cent above the lowest economic figure given by this expert.

Now I come to the capital cost, including everything. According to this expert, and he ought to know, it should not exceed from 10 to 12 shillings per ton of raw material dealt with, or $2.50 to $3. The figure we have in the fuel board estimate here is $9.40. This would indicate that costs in Canada will be too high for economic development.

Walking out in the city of Troy, Mr. Speaker, it occurred to me to examine the retail prices in order that we would have some idea of what relief we might expect in this country under a similar proposal, and I found right there beside the plant, with no railway charges to pay, nothing but the wagons to haul, a price of $11 a ton. The coal for coking in Troy cost them from $5 to $5.40 per ton. Coal in this report is estimated to cost $7 per ton, so you have a cost right immediately at the door of the plant in Canada of $12 to $13 per ton. That is not so bad. The immediate consumer in the little city, if it was economically feasible to build such a plant, might gain some advantage, say about $1 per ton over the anthracite price.

As to the possibility of developing this trade to any extent outside the city, that is hopeless on account of the present railway rates. I will deal with that point before I close. In the Hamilton plant which was mentioned this afternoon, I find that they are using entirely American coal. They are using that under drawback, and 70 per cent of it is the celebrated Elkhorn coal, which is a very high volatile coal from the United States, and 30 per cent of it is the equally celebrated Pokahontas coal, a bituminous, low volatile coal. They are using 100 per cent American coal in that plant, and I ask you how? By securing from this Liberal government a drawback of 99 per cent of the cost of the coal that is used for this purpose.

The minister informed me this afternoon, in answer to a question, that it was not the intention of the administration to affect in any way the drawback, and that it was to be continued. At the same time the minister challenged me when I stated that under this bill there would not be one dollar of advantage to the Alberta coal producer, and indeed I am beginning to be a little timid of its effects elsewhere if this drawback is to be continued. Let me point out one or two facts in connection with it. Specific mention has been made of the city of Winnipeg. The minister thought that a plant in Winnipeg would be able to develop a partial market for our Alberta coal. The Winnipeg Electric Company have operated a gas-producing plant for many years. Some time ago they introduced a battery of by-product coke ovens. The primary object of both plants is the same, that is, the production of gas, with coke as a by-product. This by-product plant was built prior to the tariff amendment of 1925 which admitted United States bituminous coal for coke-making purposes practically free of duty. The United States coal used in the gas producing plant is not entitled to a drawback of duty, but coal imported for use in the by-product ovens, although used for the same purpose is entitled to the drawback or subsidy. Every ton of coke produced in this plant from American coal is sold in direct competition with Alberta domestic coal in Winnipeg. Note that, Mr. Speaker: Every ton of coke produced from American coal in this plant is sold in direct competition with our own Alberta coal.

I do not think I need go further than that simple statement to indicate to the minister that any belief he may have had that this policy would provide a market for our Alberta coal in Winnipeg is dissipated and must remain so as long as that drawback continues. Let me say this. Although I have from time to time deplored the practice of imposing duties, and I do still deplore it, yet I say to the minister that there is nothing so utterly inconsistent and ridiculous as imposing a duty for certain purposes, such as to keep out a commodity which is entering into competition with our own commodities in this country, and then upon pressure from private interest, for private exploitation and private gain, to permit the importation of that commodity on a drawback duty of 99 per cent. That is a most vicious principle, and I am sure the minister agrees with me.

Mr. STEWART (Edmonton): May I say this to my hon. friend? The moment that you put a duty on, you increase the cost to the consumer. My hon. friend will not deny that.

Mr. GARLAND (Bow River): Quite right.

Mr. STEWART (Edmonton): My hon. friend agrees that the imposition of the duty raises the price to the consumer. By leaving the duty off we protect the consumer, and if we want to use our own product the logical thing is to assist by way of bonuses so as to keep the price down to the consumer.

Mr. GARLAND (Bow River): The minister is going to allow American coal to come in here under a drawback of 99 per cent, and then we are going to subsidize private interests to develop and sell coke from Canadian coal in competition with the coke produced from imported free American coal.

Mr. STEWART (Edmonton): I hate to object, but I shall certainly take a few minutes to explain this point to the committee. My hon. friend is arguing from wrong premises there absolutely. There is no such thing as creating a monopoly under this bill.

Mr. GARLAND (Bow River): The minister is back to the monopoly again. I hope he will deal with this question when I get through, but may I have a rest from the interruptions which have been very numerous. At page 134 of the report of the Fuel board they deal with this question of railway rates, to which I promised a few moments ago to refer before I close. It is quite clear that even the fuel board itself did not believe in the commercial feasibility of establishing coking plants. Note what it says:

> There is no single factor of more importance to the coal and coke industry than that of transportation.

In that we all agree. It goes on:

> It is proposed to point out the conditions existing and just how these affect the by-product coke oven and gas industry.

Then it gives a table showing the rates in effect on coke on a mileage basis, with which I shall not weary the committee, but hon. members will find it on page 134 of the report. The fuel board goes on to make this statement:

> It is only reasonable to assume that after coke plants are established and tonnages in quantity are assured, the railways will grant commodity rates, which will bring not only freight markets to the railways, but cheaper coke to the public.

In short, the board itself realizes that the biggest problem in connection with this matter is not the subsidizing of private interests to develop coking plants, but the reduction of transportation rates, a point which I have consistently argued in this House.

Mr. STEWART (Edmonton): My hon. friend will admit that the board is now referring altogether to the transportation of Canadian coal.

Mr. GARLAND (Bow River): Yes, that is what I am referring to now.

Mr. STEWART (Edmonton): My hon. friend has just stated that the Fuel board did not believe in the establishment of coking ovens.

Mr. GARLAND (Bow River): Not at all. I said the Fuel board had, by implication at least in this statement, inferred that the establishment of coking ovens without a reduction in rates was not economically feasible.

Mr. STEWART (Edmonton): If my hon. friend will say for Canadian coal, I will agree.

Mr. GARLAND (Bow River): All right. I understood the object of the bill was to use Canadian coal in these plants. My hon. friend is getting away from that.

Mr. STEWART (Edmonton): No, but I do not want the hon. member to understand that the Fuel board were against the general practice of making coke.

Mr. GARLAND (Bow River): The Fuel board, according to their own statement, clearly realized that unless there was a reduction in railway rates the production of coke was not necessarily nor even probably profitable or commercially feasible. I will read again from this report, page 134:

> It is only reasonable to assume that after coke plants are established and tonnages in quantity are assured, the railways will grant commodity rates, which will bring not only freight markets to the railways but cheaper coke to the public.

The rates quoted were the Canadian rates. I now turn for a moment to the comparison in this table on page 135, between the American and Canadian rates. The American rate from Detroit to Montreal is $4 a ton, approximate distance 560 miles and the per mile rate 0.715. Then we take the Canadian rates on that basis, Hamilton to Montreal $3 per ton, approximate distance 377 miles, rate per mile 0.786, rate per same basis as Detroit, $2.70, as compared with $3. The United States rate has the advantage of 30 cents per

ton over our rate. Then the rate from Montreal to Ottawa per net ton is $2.50, distance 115 miles, rate per mile 2.17, rate per same basis as Detroit 0.82. Then Montreal to Quebec, the rate is $2.40, distance 172 miles, rate per mile 1.40, rate per same basis as Detroit 1.23. Then the rate Montreal to Sherbrooke, $2.40, distance 106 miles, rate per mile 2.26, rate per same basis as Detroit 0.75. Then Boston to Sherbrooke, $3.60 per net ton, approximate distance 272 miles, rate per mile 1.32, rate per same basis as Detroit 1.96.

In every instance there is a very serious difference in favour of the United States rate. This report indicates that there are other disadvantages under which we suffer and which should be removed. Another disadvantage is that switching charges are high. In many localities these now amount to 80 to 90 cents per ton. In the Connellsville coal and coke region, and other points in the United States where any considerable tonnage is moved, the switching charge is 19 cents per ton.

The final statement in the transportation division of this report is as follows:

> The favourable side of the transportation question lies in the receptive attitude of the railways.

I am afraid if we are going to rely on that it will be a long time before we get an adjustment in rates.

> Although, perhaps, the complexities of rate-making render a complete answer to this perplexing question most difficult, it may be possible to go a long way towards a satisfactory solution by merely laying the facts before the proper authorities.

I submit, Mr. Speaker, that this bill should not pass. I will give a summary of my reasons in a moment. Let me at this stage call the attention of the minister concerned and of the administration to an editorial in a newspaper which is favourable to the government and has supported it strenuously during the recent election campaign, and is still supporting it. I refer to the issue of the Ottawa Citizen, March 21, 1927, referring to the new methods being developed in the United States and Germany. It reads:

> In the report of the Royal Commission, proposed new by-product coke plants would be established at Quebec, Montreal, Ottawa, Toronto, Hamilton, Port Colborne and London. Together they would produce annually 1,376,000 tons of coke and 13,795,000 "million" cubic feet of surplus gas, according to the way the figures are tabulated in the report. Presumably it should be 13,795,000,000 cubic feet. The House will need to satisfy itself that this enormous proportion of surplus gas can be commercially marketed: otherwise the cost of the coke would be higher.
>
> It may be possible to dispose of 4,000,000,000 cubic feet of gas annually in Montreal and 5,000,000,000 cubic feet in Toronto; but before government assistance is voted parliament will need to make sure that such by-product coking plants are the most economical method of treating the coal.

The quotation then continues:

> It would pay Canada to get the very latest information, particularly about low temperature carbonization as it is being developed in Great Britain. It is no longer a laboratory experiment, but is being tested commercially.
>
> Nova Scotia would benefit by waiting, at least for one more session. The demand for Nova Scotia coal, under the process as tabulated in the report of the Royal commission, would obviously be restricted to the ability of the by-product coking plants to dispose of the surplus gas. A process to produce oil in large quantities, without any such enormous surplus of gas, would allow a greater expansion of the industry.

I submit that if we proceed with this bill now we may be assisting in the establishment of coking plants which in five years will become obsolete and will be thrown back on the administration, or we will have to pay increased subsidies.

Mr. STEWART (Edmonton): They cannot be thrown back on the administration.

Mr. GARLAND (Bow River): Then you will have established an industry which has failed. I turn now to a paper which I do not think is so favourable to the administration, but whose orthodox views will appeal to hon. members on both sides of the House. The Monetary Times of March 25, 1927, referring to coking plants, has this to say:

> The proposed encouragement for the coking industry is a matter that is of quite equal importance to central Canada as to the maritimes. The fuel problem in Ontario and Quebec is in urgent need of a solution. Coke is already growing in popularity in these provinces and the opportunity for the government policy is favourable. The interest of the maritime provinces is in the use of Nova Scotia coal. The Dominion Fuel Board is understood to be satisfied that a satisfactory coke for domestic purposes can be produced from most of the seams operated in the Cape Breton coal fields. It is, of course, desirable that Canadian coal should be used for this purpose if possible; but it is also desirable that the industry should be so organized as to be able to stand upon its own feet. It would be a misfortune if the result of this branch of government policy were to be to set up an industry which could live only at the cost of repeated subsidies from the public exchequer.

No more complete condemnation of the scheme could come from any newspaper than to indicate that nothing was more obnoxious than to set up an industry whose continued

existence would depend upon annual subsidies from the government. I do not wish to be destructive. I think we can find a way out in this matter. Why not make a loan direct to accredited individuals or companies desirous of developing this industry, at a reasonable rate of interest? If a group of individuals in Montreal desire to build a 400,000-ton plant, make them a government loan at a reasonable rate of interest, and let the taxpayers of the Dominion have security on the property until the loan is paid off.

I appeal to hon. gentlemen in the ranks of the Liberal party opposite who have stood against special privilege; I appeal to the Liberal Progressives, those hon. gentlemen who would appear to have lost the progressive part of their title, to accept the suggestion which I have made and to induce the minister to put this policy of his on a loan basis instead of on a subsidy basis. Make a loan, have an interest in the company, own it ultimately if necessary, or get your loan paid back to you. Use the same policy with respect to these companies as you are using in the matter of the Montreal harbour commission, the Vancouver harbour commission and others. If you like, have your Dominion Fuel board act as the body to supervise the development. I offer that suggestion to the minister in the hope, the vain hope I admit, that realizing its constructive possibilities, he will consider the withdrawal of this bill for one session, for two reasons.

Mr. STEWART (Edmonton): Certainly not on a plan of that kind.

Mr. GARLAND (Bow River): The first reason is in order that the feasibility of the plan which I propose may be examined. I do not suggest for a minute that it has no flaws, but there are possibilities in it. The second reason is in order that we may prevent the too hasty development of coking plants that may not exist feasibly or economically for more than a few years if low temperature carbonization proves commercially advantageous.

I appeal to hon. gentlemen who profess real Liberalism not to start this vicious thing again, to restart or continue subsidizing private interests in the establishment of new industries of this nature. The evil thing has already set its roots deeply into our country; it is taking from our people too heavy a toll every year. No one knows that better than hon. members from the prairies who sit opposite, who were not long ago our own colleagues holding the views which I hold to-day and who, I am satisfied, hold them at this moment, but who, because of the position in which they find themselves, may not wish to exert their real convictions and to satisfy their consciences by opposing evils of this kind. I appeal to them to remember their former ideals and to help us in our opposition to legislation of this nature.

I am opposed to it because the investigational and experimental work in this matter is not yet completed. We should not enter into the construction of these plants until we are satisfied that they will completely meet the requirements for a long time to come. These plants may be obsolete in a period of five years and you will have lost your subsidies without doing much if any good. The feasibility of the whole plan is seriously in question for the reasons I have given, namely the difficulty of disposal of the gas by-product which is the principal by-product of the coking operation in our Canadian plants. The capital cost estimated by the Fuel board, which cost will undoubtedly enter into any arrangements with the administration of this concern, is, according to an expert, too high to permit of economic development. The plan will not even scratch the real fuel problem in those areas.

A satisfactory readjustment of transportation rates would be infinitely better, not as a matter of charity or special privilege, but as a cost rate under which nobody would lose anything but when the business increased, probably a profit would be realized on the movement of a volume of tonnage by the railway company. The last and final reason is because this is creating another "special privilege" interest which we shall have the greatest difficulty in removing from our backs in the years to come. For these reasons I am opposed to the second reading of the bill and I will vote against it.

Mr. I. D. MACDOUGALL (Inverness): I do not rise for the purpose of unduly protracting the discussion on the bill introduced by the Minister of the Interior (Mr. Stewart), nor do I wish to follow in all its details the lengthy address of which the hon. member for Bow River (Mr. Garland) has just delivered himself. As a representative of the maritime provinces I think I voice the sentiments held by my associates from those provinces when I say that we are all disappointed that the hon. member for Bow River, whom we hold in high regard not alone personally, but also for his splendid gifts of intellect, has seen fit to use that ability tonight in hostile criticism of this bill; a bill

calculated to be of great benefit to the people of the maritime provinces, and especially to the coal industry, which is one of the most important industries in those provinces.

Mr. GARLAND (Bow River): I know my hon. friend does not wish to do me an injustice.

Mr. MACDOUGALL: No.

Mr. GARLAND (Bow River): I am entirely friendly and sympathetic to the interests of the maritime provinces and if an economically sound proposition were introduced I would be glad to support it.

Mr. MACDOUGALL: My hon. friend has a most peculiar manner of showing his sympathy. My hon. friend comes as I do from a Canadian province which possesses vast and extensive coal deposits. I know he must be as anxious as I am to see developed in this country a national fuel policy under which Canada will so far as possible be made independent of a foreign nation in the matter of her fuel supply. And in spite of the fact that my hon. friend has used his voice and intimates that he will exercise his vote to prevent this bill from going through, whenever he or any of his colleagues or associates from Alberta brings up in this House any measure dealing with transportation or anything else tending to improve the condition of the coal industry of that province, or to increase its coal output, or to bring that coal to the markets of central Canada, then in direct opposition to the attitude that he has taken to-night, my voice and my much inferior abilities will be raised in support of the legitimate claims of the province from whence he comes.

My hon. friend in the first part of his speech said there were certain objections which could not be met in respect of the establishment of coking plants. One of the chief objections was that we had no all-absorbing market for our gas such as the House of Commons provides on certain occasions. If he will refer to the report from which he quoted at some length to-night, he will find that the author of that report takes an entirely different view. He will find for example that the very eminent engineer who compiled the report from which he quoted stated in it that he made an extensive survey of conditions in Quebec, Montreal, Ottawa, Toronto, and Port Colborne. He then goes on to say:

> The cities chosen are those where the domestic gas demand is sufficient to warrant installation of ovens and successfully support a by-product coke plant.

He also states:

> Other localities such as the "border" cities, can erect plants as soon as the industrial or domestic gas demand is sufficient.

He goes on further to say on page 34 of the report that at the present time there is a total market in Canada for some 2,628,000 tons of household fuel. The writer, having in mind the possible disposition of the gas and other by-products, points out that by the establishment of coke ovens at the present time, a production of 1,376,300 tons of American anthracite could be displaced by Canadian coke. I think that is sufficient evidence of the feasibility of the project which this bill has in mind to encourage.

I am in favour of this bill because it aims at the further development of the great coal resources of the Dominion. It is intended to bring about a wider distribution of Canadian coal in Canadian markets. I am in favour of it because it is a step in the direction of a national fuel policy for Canada, and that is something which should meet with the approbation of every patriotic Canadian who has the industrial and commercial interests of Canada at heart. Coal is one of the basic elements in the industrial progress of any nation, for no great industrial achievement is possible unless a nation possesses coal deposits and can properly utilize them. Coal is by far the most important of all the mineral products, and next to coal in importance is iron. The existence of coal and iron deposits throughout the world has profoundly influenced modern civilization. The greatest commercial nations in the world to-day are the United States, Germany and England all of which owe their industrial and commercial greatness in no small measure to their coal deposits. If Canada is to take its place in the sun industrially and commercially, if it is to occupy that position in industry and commerce which a bountiful nature ordained should be ours, then I say this parliament must of necessity take steps to inaugurate a national fuel policy. And this is one such step. I may say to my hon. friends that when they bring into parliament any measure calculated to assist the coal industry of Alberta we from the maritime provinces will support it just as we had expected that they would support us in connection with this bill.

It is an anomalous, an illogical position for Canada to allow the central provinces to depend upon a friendly but none the less rival industrial power for their fuel supply. It is a situation that should not obtain because in Canada we possess 17 per cent of the total coal reserves of the world. Our concern should

be to bring Canadian coal to our industrial centres, and this can be done if proper measures are taken by this parliament.

This bill will not only be of advantage to the province of Nova Scotia, but it will be of very material advantage to the provinces of Quebec and Ontario. At the present time these provinces depend almost entirely upon American anthracite for their domestic needs. That is an insecure position. It is a position which no self-respecting country should care to be in. It is a dangerous position for any province to tolerate. It is dangerous for this reason chiefly, that according to mineralogists the supply of American anthracite coal is being rapidly depleted. Already, as those who have given study to the question know, what were two very important sources of supply of American anthracite, namely, the Carbondale and Scranton districts, which ten years ago were important sources of supply, have by this time petered out, and to-day they produce practically no coal. In 1924 there were presented to congress no fewer than three resolutions to the effect that the United States government should place an embargo on the exportation of American anthracite. What would be the position of central Canada to-day had such action been taken by the government to the south of us. It is time for us to take serious cognizance of the situation and to see to it that there shall be available some suitable substitute in the event of the supply of American anthracite being at any time cut off. But apart from the uncertainty of being able to secure American anthracite we have the positive assurance that as the years go on, according as the American supply diminishes, the price of anthracite coal to the consumer in Canada will go up. I venture the prediction that within half a decade if the people of Ontario and Quebec can obtain any American anthracite at all, they will have to pay a very much higher price for it than they are paying now. I say, therefore, that this bill the object of which is to displace as far as possible, American anthracite by a fuel which is superior to it, and which can be and is sold at a lower price, will materially assist the provinces of Ontario and Quebec. It will also greatly assist Nova Scotia inasmuch as the coal industry is one of the most important of our activities. Upon that industry almost one-fifth of our population depend for their livelihood, and the great problem we have to face in our coal industry is our inability to provide employment for our workmen in winter. When our coal is banked throughout the winter it generally breaks up and consequently it is more difficult to dispose of. It is not so easy to sell it in that state, and the re-handling charges add materially to the cost of the coal. It has therefore become practically impossible for us to bank coal in winter, although this would provide employment in that season. If this bill goes through and the coal is used for coking purposes at Montreal and other centres, we shall certainly bank our coal because then we shall not care whether it disintegrates or not, because it has to be broken up in any case before it can be coked. The result will be that we shall produce over 500,000 tons of coal a year more than at present. And we shall thus give in wages to Nova Scotia miners about a million dollars a year more than at present. My hon. friend from Bow River (Mr. Garland) had a great deal to say about the workingmen; there was much pathos in his voice as he referred to them. I would have him consider the workingmen in Cape Breton island and the miners of Nova Scotia generally who to-day must go without employment in winter, and whose wives and children on such occasions are in needy circumstances. I would ask the hon. gentleman to be sympathetic toward a project which has as one of its objects the providing of work in winter for men such as I have described.

I do not intend to discuss the bill at any great length, but I would point out to my hon. friend from Bow River, who was critical of it because it concerned only Nova Scotia—

Mr. GARLAND (Bow River): No, no; that is not fair.

Mr. MACDOUGALL: I do not want to be unfair to my hon. friend, but that is the way I understood him.

Mr. GARLAND (Bow River): I would oppose it as strenuously if it applied to Alberta.

Mr. MACDOUGALL: Then my hon. friend's position is a great deal worse than I thought it was.

Mr. GARLAND (Bow River): It is at least consistent.

Mr. MACDOUGALL: This bill rises directly out of the recommendations of the Duncan report. It is supposed to apply primarily to Nova Scotia and to the maritimes generally, and those who come from coal producing sections of the west should give it their sympathy and support because in the future they may require the sympathy and support of the maritime representatives for measures calculated to improve the coal industry of Alberta. This is one of the vital

recommendations of the Duncan commission, having as its aim the stimulation of one of the most important industries in our province. To-day the people of Nova Scotia are looking to this parliament as they have never looked before; in these days when the report of the Duncan commission and the measures implementing that report are being discussed, a million Canadians down by the Atlantic seaboard have their eyes focused on the parliament of Canada. These people feel that in the past, injustices have been done them, and they feel that their provinces have not kept pace with the onward march of Canadian progress. This mental attitude produces a condition which is bad for Canadian unity and which unless removed may be fraught with serious dangers to Canadian union as well. I do not claim that the people of the maritime provinces have done more than the people of other provinces. But I do say that they have always assumed their fair share of the burden; they have always made their share of the sacrifices, and they have maintained faith with the rest of Canada. To-day, in travail and difficulty, they confidently expect that the rest of Canada will not break faith with them. If the measures of the Duncan report, and particularly those calculated to stimulate industrial activity in the maritimes, go through, they will have a wholesome psychological effect upon the people of those provinces. As the Minister of National Defence (Mr. Ralston) said in one of the best speeches delivered this session, "as the celebration of Canada's sixtieth anniversary approaches, as a result of these recommendations being implemented the maritime provinces will take new heart and renewed confidence in the sense of justice of the rest of Canada and the parliament of this country. They will look forward with renewed confidence and optimism to the future and with courage undaunted "greet the unseen with a cheer" realizing that "the things they go to do will be better things than they have ever done," and their future within confederation will be a better future than they have ever known. In order to bring about that happy result and in order that there may be amity and coöperation between the different parts of Canada, I ask hon. members to-night sympathetically to consider our claims, that the national good of Canada may be promoted. If they do that I think there will be greater sympathy with the legitimate claims of the maritime provinces as set forth in the Duncan report.

Mr. Speaker, I very cheerfully give my support to the Minister of Mines on this bill; I congratulate him for introducing it and everything I can do to facilitate its passage will certainly be done. I would, however, say that one part of the argument of the hon. member for Bow River (Mr. Garland) impressed me; I refer to what he said about item 1049 of the present tariff. I think perhaps there is a little inconsistency in formulating a policy to produce coke manufactured from Canadian coal while we allow American coal for the manufacture of coke to enter Canada under a drawback of 99 per cent. To my mind that rather nullifies the effect of this bill, and I hope the minister will take serious cognizance of that fact and that this clause will ere long be removed.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Short title.

Mr. STEWART (Edmonton): I would like to say a word or two in connection with some of the remarks made by the previous speakers. I do not want to take more than a moment to explain to the committee my contention, which is that the bill is not designed for the purpose of creating a monopoly, which fact I think I can establish at once. It is not intended to capture the entire market for coke but simply to encourage the manufacture of domestic fuel from Canadian coal in so far as the present facilities will permit. That is, you must have the network of pipes in every city to dispose of the gas, and the extent to which you can dispose of that gas is the limit to which you can manufacture coke.

Mr. CANTLEY: I am not sure about that.

Mr. STEWART (Edmonton): That is as conditions are at present. A great deal has been said about new processes, with which I do not propose to deal at all. At the Hamilton plant, where this process is away beyond the experimental stage, a good deal of the gas is being consumed in the heating of the plant itself while the balance is distributed through the city mains. Therefore that is settled; coke can only be manufactured to the extent to which you have provision for the distribution of gas, or the consumption of gas if you prefer those words. Neither the fuel board nor anyone else ever thought that as the gas distribution systems exist at present in the cities, we could supplant all the anthracite coming into Canada. Under existing conditions, however, we can supplant anthracite to the extent of over 2,000,000 tons, and altogether in Canada, last year we only used

3,500,000 tons of American anthracite. We used 5,000,000 tons in 1923, so I point to the fact that we are making some progress in providing a substitute for anthracite coal, which, as my hon. friend from Inverness (Mr. Macdougall) has said, will probably be denied us altogether in the near future. Our object is to be in a position to supply a substitute fuel when that time comes. Electricity is playing an important part as a substitute for this domestic fuel.

Now let us come to the purport of the bill before the committee. Whether or not this bill passes we are given to understand on the best authority that a coking plant will be constructed in Montreal, capable of consuming 400,000 tons of bituminous coal. All we are seeking to do is to give assistance without taking responsibility for a single brick in that plant; under certain conditions we desire to provide for assistance to these companies if they will use Canadian coal in preference to coal coming from the United States.

Mr. GARLAND (Bow River): Is it fair to say that that assistance will amount to two-thirds of the capital cost of the plant?

Mr. STEWART (Edmonton): No, it cannot go beyond the figure of one dollar for every ton of Canadian coal used, so the total amount will depend entirely upon the percentage of Canadian coal used. If less than 50 per cent of Canadian coal is used, no assistance will be given.

Mr. GARLAND (Bow River): My figures are to the contrary.

Mr. STEWART (Edmonton): My friend is basing his figures on the cost of the plant which, while it is a consideration, does not enter into the final determination of the amount to be paid. We are not seeking to say that we will deny these companies the right to earn part of this assistance if they do not use 100 per cent of Canadian coal, but we do say that they should use at least 70 per cent of Canadian coal and not less than 50 per cent. By means of this encouragement we are seeking to get individuals, private or corporate, to transfer their affections from American coal to Canadian coal. All the avenues for the transportation of bituminous coal into this central region lead from the United States. People are using that fuel, and they do not readily transfer their affections from the American to the Canadian product. The assistance proposed to be given will be for the purpose I have indicated. My hon. friend suggests that we should loan money to the companies to build a plant. But that would mean our going into the business ourselves, and it is now past the experimental stage. The Hamilton plant has proved beyond all question that the manufacture of coal into coke and its sale for domestic purposes meets the necessities of the case.

Mr. GARLAND (Bow River): If we made loans we should at least get our money back, but here it is proposed to make a straight gift.

Mr. STEWART (Edmonton): If my hon. friend's argument was followed to its logical conclusion there would be very grave doubts as to that because of what he says as to the feasibility of the high temperature system and the possibility of its being scrapped within fifteen years. The life of such a plant is fifteen years anyway and then it has to be entirely renewed. May I say for the information of my hon. friend that we are watching new systems of experimentation in the carbonization of coal just as closely as possible. There is not a single thing happening in any of the important coal bearing areas of the world where we do not watch progress of developments. I agree with my hon. friend that if low temperature carbonization proves to be feasible and workable it will reduce the cost very materially, but the conversion of coal into coke will also have a very material effect upon the cost. I disagree with the hon. gentleman from Cape Breton who has spoken in connection with the reimposition of the duty—because that is what he means. The reimposition of the duty would at once raise the price to the consumer. On the other hand my contention is that under this system of assistance, and of encouraging the substitution of Canadian coal for American, we do not raise the price to the consumer one iota. We keep the price level, because the competition still exists and that is what should prevail. It may be said we ought to try to shut out American coal altogether, but we do not view the matter from that standpoint. I want to say very frankly that I am not one of those who advocate the giving of subsidies very strenuously, I never did; but if my hon. friend calls this system vicious I say it is the least vicious system that could be adopted in connection with the encouragement of industries to use Canadian products.

Mr. HEAPS: I wonder if the minister would give an explanation of the statement he made earlier in the day in reference to the proposed drawback in connection with a Winnipeg coking plant?

Mr. STEWART (Edmonton): Yes, I would be very glad to. There is a feeling in the minds of some westerners that we should

reimpose the duty on Canadian coal because the drawback is nothing more or less than a return of the duty paid on the entrance of the coal crossing the border to be used for coking purposes. Metallurgical coke comes in free, and I want to say to my hon. friend that if he attempted to put a duty on metallurgical coke every manufacturer in this country would raise a howl to high heaven. I have thought, and I still think, that if the manufacturer was entitled to free coke, the consuming public were surely entitled to free coke as a substitute for anthracite. I do not agree with my hon. friend from Bow River that this assistance will not help Winnipeg. It will do no harm to any industry but it will substitute in a large degree the use of Canadian coal for American coal in the city of Winnipeg—of Alberta coal if you like. I hope our maritime province friends will not take offence when I say that Alberta coal is equal to the best grades of the United States coal for coking purposes.

Mr. HEAPS: What I am trying to get at is the fact that in the city of Winnipeg, in addition to a private gas and coking plant, there is a publicly owned central heating system and the latter ought to be treated at least as well as the gas plant owned by a private corporation.

Mr. STEWART (Edmonton): I am afraid I did not catch my hon. friend's statement.

Mr. HEAPS: I want the central heating system that we have in the city of Winnipeg to be placed on exactly the same level as the private gas plant. I do not think we should give a drawback to one and not to the other. Personally I should like to see the central heating plant, which is owned by the city, using Canadian coal to the extent of one hundred per cent if it is at all possible. When the central heating plant was originally built that was the idea entertained, and I believe the city of Winnipeg went to considerable expense in putting in equipment for the drying of the coal. I do not know whether it was on account of the quality, or whether it was due to other reasons, but they have not found it profitable to use Canadian coal entirely. It is quite possible, however, that if assistance, such as is promised to the private corporation in Winnipeg, were granted to the central heating system it might be able to use more Canadian coal than it is using at the present time. May I point out further that the gas plant in the city of Winnipeg comes into direct competition with our electrical public utility there, and if it is granted an extra allowance in the form of a drawback or subsidy, such as is proposed here, it will be in a position to compete more easily with that public utility. In the city of Winnipeg the people are using more electricity than gas for domestic purposes. If the government is granting a subsidy it certainly should grant such aid to the first publicly owned steam heating utility established in the Dominion of Canada and prevent it from being exposed to unfair competition.

Mr. STEWART (Edmonton): I should rather regret what my hon. friend fears, but I think he missed the point which I tried to illustrate before, namely, that the subsidy will not increase the use of coal. This assistance is proposed to be given in order to substitute the use of Canadian coal for American coal. It would have no effect in reducing the price of the gas or coal either so far as that is concerned, or at least of very materially reducing it. The assistance proposed is simply based on the amount required to make it profitable, or a little more profitable, to use the Canadian product in preference to the American. My hon. friend says that if used to a greater degree it will interfere with the sale of electricity. But to the extent to which coal is being manufactured into gas there will be competition anyway. All that is being done is in the hope of encouraging the substitution of the Canadian coal for the American. I want to get that idea home to my hon. friend. May I say to my hon. friend, in connection with the coal for his central heating plant, that I remember the day when we were supplying almost 90 per cent of the necessities of Winnipeg from Alberta coal? There are two reasons why a change has come about. One is that bituminous coal never was cheaper in the history of American mining than it is to-day. It is at possibly the lowest point it could touch. Naturally it is reaching a little farther out to-day, and probably the competition is a little stronger. That is not true of our Alberta coal. The Alberta members will agree that the price is somewhat higher to-day than it was at the time we captured the Winnipeg market. Therein lies the difference. I agree with my hon. friend from Bow River that the solution of this difficulty lies in the transportation question, which is now before the railway board.

Mr. HEAPS: Supposing the central heating plant in Winnipeg is using large quantities of American coal and that by granting a subsidy they would use large quantities of Canadian coal. Would the minister give them the same subsidy for converting that coal into steam as will be granted in the case of coal converted into coke?

Mr. STEWART (Edmonton): I think that difficulty will be cured entirely by a readjustment of the rates. That is the feeling we have in Alberta, at all events.

Mr. CANTLEY: I am, of course, entirely in sympathy with the object of the minister in bringing down this bill, but I am utterly at a loss to understand the basis on which he deals with the matter. I do not see how it is possible for this measure to be of very much advantage to us in Nova Scotia so long as item 1049, to which my hon. friend from Inverness referred, remains in the tariff. If coal for this purpose is to be admitted free of duty as it is now, what inducement is there for the proprietors of these proposed new plants to use Canadian coal? For more than thirty years I have had some connection with the coal business and the production of coke in retort ovens. I quite appreciate the advisability and approve of using a mixture of coal for the production of coke. Coal from different seams, even if identical in analysis, will produce a stronger coke if mixed together than coke produced from any single seam. Why this is so, I do not know, but it is so, and therefore I have not any doubt that a mixture of 30 per cent of one class, and 70 per cent of another class, of coal will produce a better quality fuel.

The minister said that coke should not bear a duty. Why not? Coal, which is a natural product, bears a duty, and if coal is entitled to a duty, coke, which is a manufactured product, is still more entitled to protection. I cannot follow the reasoning of the minister in that matter. I know of no reason why a manufacturer in this country should not pay a duty on all his material, the finished product of some other industry and if he has sufficient protection on his finished product. I do not know whether the minister will agree with me in that or not, but I would like to know what is the answer to my question as to why he retains tariff item No. 1049. Of course, the minister is quite familiar with it, but for the benefit of the House I will read it. Tariff item No. 1049 provides that bituminous coal is subject to a drawback of 99 per cent:

> When imported after the twenty-fourth day of March, 1925, by proprietors of by-product recovery coke ovens and converted into coke at their by-product recovery coke ovens. Provided that no drawback shall be paid under this item on coal converted into coke at a gas retort plant or at a plant using any other process than the by-product coke process, also provided that drawback payable under this item is in lieu of drawback payable under any other item.

Mr. STEWART (Edmonton): As my hon. friend knows, anthracite coal comes into Canada free.

Mr. CANTLEY: Yes, but it should not.

Mr. STEWART (Edmonton): I am not going to get into an argument as to whether it should or not, but as a matter of fact it does come in here free, and has done so for a very considerable number of years, the idea being, I believe, to cheapen the cost to the consumer. When we sought to supplant anthracite by coke we found that the metallurgical coke was also imported free. Run-of-mine coal bore a duty of 53 cents and slack of 14 cents, but the difficulty of enforcement as between the slack and the run-of-mine caused a great deal of trouble, and we reduced the duty on run-of-mine coal by 3 cents and increased the duty on slack to 50 cents, so all bituminous coal coming into Canada bears a duty of 50 cents a ton. In order to put domestic coke on a parity with metallurgical, but more particularly to put it on a parity with anthracite coming in free, we give a drawback of 99 per cent, as prevails with regard to the metallurgical. That is the reason there is a drawback, to put them on a parity.

Mr. CANTLEY: I thank the minister for his explanation, but he is simply reasoning backwards; that is all there is to it. The fact is, if you are going to protect the coal industry at all you must protect it by putting a duty on all classes of fuel that compete with coal. What is the effect as regards the Ontario plants which use American coke which is brought in there free? It means that the miner in Nova Scotia who is mining coal for use in the steel plants of Cape Breton is working without any protection at all. In addition to that, he is more than one thousand miles from his nearest competitive market, say in Montreal. That is one of the grossly unfair discriminations which we have had to suffer from in Nova Scotia for several years, and, with shame I say it, the party that I am supposed to support were the ones who put that into force. But nevertheless it was wrong. We all make mistakes, and that is a mistake that ought to be now corrected. I cannot really understand how the minister expects to get any advantage from this proposal so long as item 1049 remains on the tariff list.

There is another point. I do not want to appear as though I were not supporting this measure, but I would ask the minister where is the fairness of bonusing new plants of this

kind and leaving other plants that are already built and in operation without similar protection or assistance? Why is that attitude taken? It seems most unfair.

Mr. STEWART (Edmonton): There are no existing plants except your metallurgical plant in Sydney—

Mr. CANTLEY: I think there are.

Mr. STEWART (Edmonton): None of the new standard type except the plant in Hamilton.

Mr. CANTLEY: Are there not two plants in Hamilton?

Mr. STEWART (Edmonton): No, one plant, the Steel Company's plant.

Mr. CANTLEY: I think there is another as well.

Mr. STEWART (Edmonton): They are making metallurgical coke entirely.

Mr. CANTLEY: The minister is in error; the fact is that all the plants are making and selling a very considerable portion of their product as domestic fuel to-day.

Mr. STEWART (Edmonton): Gas plants?

Mr. CANTLEY: No, coke oven plants. A very considerable portion of the coke made in Cape Breton is sold as domestic fuel, and the quantity is growing. They are entitled to equal consideration.

Mr. STEWART (Edmonton): Where do they sell it? In their own locality?

Mr. CANTLEY: They not only sell it in their own locality, and to each of the maritime provinces but they also sent a very considerable tonnage up the St. Lawrence this year, and that tonnage is increasing. Over 70,000 tons came up this year, and that trade will increase, and should increase.

Mr. STEWART (Edmonton): Is that 70,000 tons used for domestic purposes?

Mr. CANTLEY: Yes. It is crushed coke broken to certain sizes best suited for domestic consumption. There are other features that I shall not refer to now, but I do not understand why a straight bonus is not paid instead of paying a certain percentage of the cost of construction of the plant. What is the objection to giving a straight bonus?

Mr. MacLAREN: The object of the bill is to encourage the use of Canadian coal in the manufacture of coke, and so substitute it for anthracite. I think it is also in the mind of the minister to encourage the use of Canadian bituminous coal. With both of these objects I am in full accord, but I cannot help thinking that the minister might go further in the encouragement of the use of Canadian bituminous coal. A drawback is allowed, for instance, in the case of coke ovens in Hamilton. I do not suggest that that be disturbed, but I would ask the minister to consider the point most carefully and in future, in the erection of further coke ovens, provide that this item 1049 should not apply to them, so that there will be no further drawback allowed in respect to the importation of American bituminous coal. I presume the minister has considered that matter carefully. I hope he will see that that is a feasible thing. I do not for a moment suggest upsetting present conditions in regard to those ovens that are now obtaining the drawback. That would probably make the matter difficult, but here is a chance of proceeding under the bill with these coke ovens without the application of the drawback which is now in existence.

Section agreed to.

On section 2—Definition.

Mr. MacLAREN: I thought the minister was going to say something in answer to my question on section 1.

Mr. STEWART (Edmonton): The matter my hon. friend refers to comes under an item in the tariff, and of course must be applicable to all Canada.

Mr. MacLAREN: It is a tariff that is dependent upon the minister.

Mr. STEWART (Edmonton): I cannot make it apply to plants now coming into existence without making it apply to those already in existence. It must be general. There is no zone system to which it can be applied.

Mr. ADSHEAD: If you subsidize coal at $1 a ton when it is to be manufactured into coke, why could you not subsidize all coal manufactured into briquettes?

Mr. STEWART (Edmonton): We spent a lot of money on that proposition. I desire to insert an amendment to section 2, which would be paragraph (d), to read as follows:

"Domestic use" means use in the home or use solely for the direct heating of any building.

Mr. HEAPS: I raised a point a few minutes ago with reference to the city of Winnipeg. They have a central heating plant there. Instead of converting coal into coke they convert it into heat, and this plant heats about a hundred buildings in the centre of

Winnipeg. If the government is giving a subsidy to coking plants for using Canadian coal, I think there is no reason why this central plant in Winnipeg should not be put in the same position as a coking plant.

Mr. STEWART (Edmonton): Nova Scotia coal is being used to heat this building from the central heating plant, but Nova Scotia coal will never be used for the manufacture of coke in this city unless something is done to put it on a parity with its American competitors. Nova Scotia coal competes with American product here and has captured the market. Therein lies the difference between what my hon. friend is asking and the assistance I am proposing.

Mr. HEAPS: The comparison is not a very good one. By what we have done in Winnipeg we have practically cut out the use of coke in that city. It is not used in the parliament buildings. Most of the buildings which were heated by American coal are now being heated fifty-fifty by Canadian and American coal, and I am anxious for Canada to get the other fifty per cent.

Mr. STEWART (Edmonton): Our hope is that the reduction in freight rates would make it possible to use one hundred per cent Canadian coal. I am simply trying to substitute Canadian coal for American coal for the manufacture of coke in this country. I am not going into the whole bituminous coal field. In the case my hon. friend refers to it would be nothing more than a glorified heating plant which would be used in an apartment house, so that my hon. friend's suggestion would lead into an unlimited field.

Mr. HEAPS: The plant I refer to is something more than a glorified heating plant in an apartment house. I hope when the minister comes to Winnipeg he will take the opportunity of visiting the plant. If he does he will find that the heat is sent from the plant a distance of probably a mile in the city, which is something quite different from a glorified heating plant in an apartment house. The city of Winnipeg has spent well over a million dollars in establishing that plant, and I think they should receive a little more encouragement than they have received from the minister, especially when any plant which is to come into competition with them will receive some benefit from the bill now before the House.

Mr. COOTE: Does the minister expect that one of these plants will be built in Winnipeg? Is there any reason to expect that?

[Mr. Heaps.]

Mr. STEWART (Edmonton): There is a plant already in existence there; it has been there for some time. They have a gas plant as well, and they are using the old beehive ovens, the sole purpose of which is to manufacture gas which is very much inferior to the domestic fuel. What is proposed to be done in Toronto will be done elsewhere, and what they are doing in Montreal will be done elsewhere. They are tearing down the old plants and substituting the new ones.

Mr. COOTE: No existing plant can receive any benefit from this plan?

Mr. STEWART (Edmonton): Not under this bill. This is in order to try out this scheme to see how it will work.

Mr. COOTE: Any company that has a plant at present and that wishes to secure the benefit of this legislation will have to establish a new plant?

Mr. STEWART (Edmonton): Yes.

Mr. COOTE: I thought the minister could tell us whether he had some expectation that advantage of this legislation would be taken in Winnipeg so as to help the market for British Columbia coal.

Mr. HEAPS: Am I to understand that if an old plant remodels itself to a certain extent, it will come under the provisions of this bill?

Mr. STEWART (Edmonton): Yes, if the product of the plant is up to the standard that we will set for fuel. The difficulty is that there are at present in existence two or three processes that make an inferior fuel which we would not be warranted in calling domestic coke in the real sense of the word. The fuel will have to be up to a certain standard before we will grant the subsidy. Of necessity you must have a modern plant to manufacture that class of fuel. I do not wish to decry the output of beehive ovens, because there are engineers who will come along and say that you can manufacture perfectly good fuel in a beehive oven. What we are asking is that a modern system of by-product coking be installed before we will offer assistance.

Mr. HEAPS: Was not the Winnipeg plant which was referred to remodelled about two or three years ago and a modern up-to-date system installed?

Mr. STEWART (Edmonton): I believe something of that kind has been done.

Mr. SPENCER: Can the minister give the committee any idea how many of these plants will be established if this bill goes through?

Mr. STEWART (Edmonton): If the assistance provided for in this bill is taken full advantage of, it would not extend beyond this city, Montreal, Quebec, Halifax and St. John. They are probably the points to which this would apply.

Mr. COOTE: Would the minister explain why only 70 per cent of Canadian coal is required?

Mr. STEWART (Edmonton): For the reason that if we insisted on 100 per cent Canadian coal, we would very likely, with the subsidy that we are offering have no Canadian coal used.

Mr. COOTE: Is that because they cannot make this coke from Canadian coal?

Mr. STEWART (Edmonton): A very much superior quality of coke can be manufactured by blending.

Mr. COOTE: That is the real reason?

Mr. STEWART (Edmonton): Yes.

Mr. COOTE: Where is it provided in this bill that the coke must be up to a certain standard?

Mr. STEWART (Edmonton): That will be provided for in the regulations.

Mr. COOTE: It is not in the bill?

Mr. STEWART (Edmonton): No.

Mr. SPENCER: The minister does not agree with our friends from the maritime provinces that first class coke can be made from 100 per cent maritime provinces coal?

Mr. STEWART (Edmonton): There is a wide difference of opinion about this question and one only gets into an endless argument about it. It is the old, old story of a dispute by eminent engineers as to the quality. I have devised this for the purpose of using as large a proportion of Canadian coal as possible. If the proportion goes below 50 per cent we pay nothing.

Mr. CANTLEY: We might as well clear up this question of the quality of our Nova Scotia coal. There have been manufactured wholly from Nova Scotia coal millions of tons of coke equal to any coke that is made on this continent. In the report of the Dominion Fuel board they then refer to the question of washing coal and they put the cost of washing at 50 cents a ton. There is no doubt whatever that such a figure is ridiculous. We have been washing coal in Nova Scotia for nearly forty years and the cost is but a fraction of the amount referred to in the report. What the minister has in mind is the sulphur content. The sulphur can be washed out; it is being washed out every day not only in Nova Scotia, but in the United States, Wales, Scotland, Belgium, Germany—everywhere where coke is being manufactured. Practically no coal is used today that is not washed to remove the sulphur or ash or both. We may as well at once get rid of the idea that we cannot produce in this country really first-class coke made from domestic coal, because we can, and are so doing, not only in the east but in the central provinces and in the west. To suggest anything else is rather beneath our intelligence.

Mr. STEWART (Edmonton): I do not want to enter into any argument with my hon. friend. Suffice it to say that while I did not discuss this question with Mr. Gray, my officials discussed it with him, and I went into it very fully with officials of the Montreal Light, Heat and Power Company, who are going to establish this big coking plant in Montreal. On the basis of the information which I received from those officials I drafted this bill in the hope that we would substitute with Canadian coal the large proportion of coal that will be used in that plant in the manufacture of coke. I was told very plainly that if some assistance were not given, not one pound of Nova Scotia coal would be used. Therefore, without entering into any discussion of the merits or demerits of the case, I may say it is based on that information. They are practical men who are investing $6,000,000 of their money in the construction of this plant, and I think they must know their business.

Mr. COOTE: I think the minister mentioned that they would have to use 50 per cent of United States coal.

Mr. STEWART (Edmonton): Under 50 per cent.

Mr. COOTE: Where is that stated in the bill?

Mr. STEWART (Edmonton): It is not very clear, but I have a table of the contents in which it works out on the basis of a dollar a ton drawback, so that when you get less than 50 per cent of Canadian coal you get no subsidy whatever.

Mr. COOTE: Paragraph (a) of clause 3 reads:

> To use during each year in the manufacture of coke, coal mined in Canada to the extent of at least 70 per cent of the total coal so used.

I do not see how they can get it under 50 per cent.

Mr. STEWART (Edmonton): If less than 70 per cent of Canadian coal is used, a penalty is imposed by which the subsidy disappears when less than 50 per cent of Canadian coal is used.

Mr. WARD: The subsidy will be on a sliding scale from one dollar down to nothing?

Mr. STEWART (Edmonton): It becomes less if they do not use 70 per cent until it disappears at 50 per cent.

Amendment (Mr. Stewart, Edmonton) agreed to.

Section as amended agreed to.

Section 3 agreed to.

On section 4—Amount of annual payments.

Mr. GARDINER: Will the minister explain a little more clearly the proviso made in this clause for the sliding scale?

Mr. STEWART (Edmonton): Perhaps I can best explain this by referring to the chart taking Montreal as a centre. The chart is as follows:

Quantity of Canadian coal used	Assistance per ton of coke
70 per cent	86 cents
65 per cent	69 cents
60 per cent	50 cents
55 per cent	27 cents

And it disappears at less than 50 per cent.

Mr. GARDINER: I do not think that proposal is a satisfactory one. This bill is presumed to be primarily for the purpose of utilizing Canadian coal. The minister now says that below 70 per cent there will be a sliding scale down to 50 per cent and that the assistance given will be reduced in proportion to the amount of Canadian coal used between these percentages. No assistance will be given if less than 50 per cent of Canadian coal is consumed. We are supposed to be paying 4 per cent on the total cost of the plant, including land, buildings, machinery and so forth. If it is the intention of the minister to have such a sliding scale as he has indicated, why not put it in the bill?

Mr. STEWART (Edmonton): It is in the bill and I have given a concrete example to show how it will work.

Mr. GARDINER: There is nothing in the bill to indicate it.

Mr. STEWART (Edmonton): The 100-ton plant unit, which is the lowest unit that can be economically operated, will cost far more proportionately than the 400-ton plant, and therefore the maximum of 4 per cent on the construction of the plant is thought advisable. After all, the assistance must be earned by the tonnage of the plant. It is not proposed to tie up a large sum of money without making some provision for saving the investment in the event of strikes or of any difficulty in securing Canadian coal. They may use American coal if they cannot possibly obtain the Canadian product, but the intention is to encourage the use of our own coal, and that is why we are granting the assistance. And we are fixing a sliding scale for the very purpose of stimulating the production of Canadian coal. We say emphatically that there is no reason why 70 per cent of Canadian coal should not be used with an admixture, if you will, of 30 per cent of the American product. Beyond that point we will not go. We might very well have made 70 per cent an arbitrary figure, but we thought it advisable in order to encourage the use of Canadian coal to have a sliding scale down to 50 per cent, and if they use less than that amount no assistance will be given.

Mr. GARDINER: Now that the minister has given that explanation I see the matter more clearly. There are certain interests in Montreal who want to secure backing from the government in order to float their bonds and to obtain the money to build the necessary plant. Once they get the plant built and have an assurance that it will be a success, then so far as Nova Scotia coal is concerned they may or may not use it, just as they see fit. If it suits their purpose to use that coal, well and good; if not they will use American coal. If it pays them better to use American coal, they can use it, and, while the subsidy which they would otherwise receive from the government will go by the board, they will nevertheless have the backing of this House when they go to float their bonds in order to raise money to carry on their operations. I understood that this legislation was intended in the interests of the people of Nova Scotia; that is the excuse given for it. If, however, you do not make it effective in relation to Nova Scotia coal, then I suggest it should be withdrawn.

Mr. STEWART (Edmonton): My hon. friend is not assuming that this bill will help the sale of bonds?

Mr. GARDINER: The guaranteeing of interest will be a factor in the situation.

Mr. STEWART (Edmonton): There is no guaranteeing of interest.

Mr. GARDINER: They can go on the market and say, "We intend to take advantage

of this legislation, which provides that in the event of our using 70 per cent of Canadian coal the interest is guaranteed". That is what it is to all intents and purposes.

Mr. STEWART (Edmonton): No, exactly the opposite.

Mr. GARDINER: For goodness' sake, then, don't claim that this is in the interests of Nova Scotia.

Mr. STEWART (Edmonton): This is not a subsidy bill. After the plant has been completed, the bonds have been sold, and they are producing coal the assistance will begin, and not before. There is absolutely no possibility of the bill being of any assistance in the floating of bonds.

Mr. GARDINER: It is true that they will not be able to secure any assistance until they have the plant in operation, but will this bill not help them to secure money? They can take the bill on the money market and say, "This is what the government will do for us if we use Canadian coal."

Mr. STEWART (Edmonton): If they carry out the provisions of the bill.

Mr. GARDINER: Certainly; that is true. But it seems to me you are misleading the people of Nova Scotia, in that they expect this legislation to be a factor in helping to solve the coal mining difficulty down there, whereas it is problematical whether it will.

Mr. STEWART (Edmonton): Let me assure the hon. gentleman that I have been very strongly urged to guarantee bonds and I have absolutely refused to recommend any such course to the government. Those who buy bonds are the most shrewd investors in the world, and we may rest assured that every provision of this bill will be thoroughly looked into before the legal authority who passes on bonds will give his assent to the purchase of bonds in this case. Our Nova Scotia friends have scrutinized the bill carefully, and as it was designed in their interests I hope it will do all that I have indicated. I trust it will have the effect of substituting Canadian coal for American.

Mr. SPENCER: Suppose one of these plants in the city of Montreal should use 70 per cent of Nova Scotia coal for a year and then discontinue its use. How much would the government have paid the plant during that year?

Mr. STEWART (Edmonton): They will be paid $1 a ton as a maximum on all Canadian coal used, if they use 70 per cent. If they use less than 70 per cent, the assistance is reduced until, below 50 per cent, it is withdrawn altogether.

Mr. SPENCER: There is nothing to guarantee that they will use a ton of Nova Scotia coal if they do not want to.

Mr. STEWART (Edmonton): They are not tied down in any way.

Mr. COOTE: Would it not be more satisfactory to leave it at 70 per cent?

Mr. STEWART (Edmonton): I am told that this large concern in Montreal will not agree to the use of 70 per cent of Canadian coal, although I contend that it can. Of course I cannot compel them to use it, but I am not asking the government to guarantee any bonds or to become responsible for the plant. We simply say that when the plant turns out its product, on the basis of a certain percentage of Canadian coal consumed in their operations, it will receive the assistance provided for, and on no other condition.

Mr. MacDONALD (Cape Breton): Coming from a coal district I am deeply interested in this matter. Needless to say I am not opposed to the proposal; I am strongly back of it, and I think the government are to be congratulated for bringing in this bill and that the two ministers from the maritime provinces are especially to be thanked. I know how difficult it is to get an ideal bill under such circumstances; we from the maritime provinces would like to have this bill set the limit at 100 per cent of Canadian coal, as was the case with the old bill. We realize that that is impossible, however, and we are quite content to get this 70 per cent limit because we realize that the additional 30 per cent may be necessary in order to make suitable coke.

There is another feature which was in the old bill, and that is the penalty clause. Under that clause the manufacturer of coke had to pay one dollar per ton as damages for every ton of American coal he used in the manufacture of coke, but that clause is not included in this bill. As the hon. member for Acadia (Mr. Gardiner) pointed out a few moments ago, there is another feature of this bill which should receive some consideration. If the contractor uses 70 per cent of Canadian coal he will receive the full subsidy; that is graduated down to 50 per cent,

and after that he gets nothing. I would suggest to the minister the advisability of inserting a clause to prevent a manufacturer of coke from taking advantage of this particular situation which might arise and saying to the American coal producer, "I am getting a subsidy of so much a ton if I use Canadian coal; I would rather use American coal if you will meet that price." That is a situation which might very likely arise, because the man in Montreal would very likely prefer American coal as against Nova Scotian coal I would suggest that under these circumstances when they begin to use American coal at the 50 per cent limit, they should pay this penalty and should not be entitled to the subsidy, which I think would meet the situation.

Mr. STEWART (Edmonton): I am afraid my hon. friend would create a great many complications and difficulties. As the bill now stands the manufacturer is penalized for anything below 70 per cent. If he goes beyond 70 per cent he earns the full assistance, but if he drops below he is penalized until he reaches less than 60 per cent, when he will get practically nothing.

The CHAIRMAN: Mr. King (Kootenay) moves to amend clause 4 by adding after the word "coal" in the twenty-fourth line the words "for domestic use."

Amendment agreed to.

Mr. WOODSWORTH: I would like to ask two questions. First, does this apply to plants already in existence.

Mr. STEWART (Edmonton): No.

Mr. WOODSWORTH: Then in connection with any undertakings of the government or any contracts which they let it is usual to insert a fair wage clause. In the cases of these plants subsidized by the government, will the minister undertake to see that fair wage clauses are inserted?

Mr. STEWART (Edmonton): The government will have nothing to do with the construction, but we will see that a fair wage clause is inserted in connection with the operation of the plant in every case.

Mr. WOODSWORTH: That is what I was particularly thinking of.

Mr. STEWART (Edmonton): The clause will be inserted as in every government agreement.

Section as amended agreed to.

Sections 5 to 8 inclusive agreed to.

Preamble agreed to.

[Mr. F. MacDonald.]

On the title:

Mr. MacNUTT: Before this bill passes I would like to inform the minister that any criticism from this side of the House is constructive rather than destructive. I think the hon. member for Pictou (Mr. Cantley) advanced a very strong argument regarding the existing plants throughout Canada, and I did not hear the minister make any reply. Whether there is one or whether there are a dozen plants at present in Canada surely they should have some consideration under this bill. The position which they will occupy, operating along with plants established under this subsidy, is exactly the position the railways in the maritime provinces were in, and it will be remembered that a clause was added to a previous bill in order to place those railways in the same position as the Canadian National Railways. I suggest to the minister that before the bill advances a clause be inserted to protect the existing coking plants established in this country to-day from what would be a handicap of one dollar a ton compared with those receiving a subsidy under the new bill as brought down.

Mr. STEWART (Edmonton): I may say for the information of my hon. friend that we went very thoroughly into that question and spent two weeks making a study of the question of assistance to the plants already in existence. May I say to him that there is just as much difference of opinion as to the product being turned out by the beehives as there is about the quality of the product of the Sydney coking plant, and I found it almost impossible to provide assistance of that character without running into unending difficulty as to whom we would assist and whom we should not assist. We intend to set a standard for the fuel; the Fuel board will be the judge, and this bill is designed for the assistance of new plants. Give us an opportunity to try this out; give us an opportunity to see what can be done in Montreal in the way of substituting Canadian coal for American coal, which is the intention of the parties who are constructing that plant, and in that way you will sell 300,000 tons more of bituminous coal from Nova Scotia than is being sold at present. Let us try this bill before we venture into the other field which presents so many difficulties. I would ask my hon. friend to give us a year in which to try out this measure and see if we cannot make some progress along this line. I am perfectly willing to go into the consideration of other plants manufacturing fuel which may be equal in quality, but the difficulty arises as to saying where such assistance shall stop.

Mr. CANTLEY: I should like to ask the minister one other question. Suppose a concern in Canada has a coking oven plant that is ten or fifteen years old, and in view of this legislation they conceive it would be desirable to scrap that plant and build a new one. Would the new oven plant get a bonus of four per cent on its cost?

Mr. STEWART (Edmonton): No such case is likely.

Mr. CANTLEY: Then what is the advantage under the minister's scheme?

Mr. STEWART (Edmonton): The advantage is that they will be using Canadian coal in place of American.

Mr. CANTLEY: Suppose, in the case to which I have reference, they were using Canadian coal before.

Mr. STEWART (Edmonton): I doubt whether anyone would scrap a plant simply for the purpose of earning this subsidy.

Mr. CANTLEY: That would depend on the age and condition of the existing plant.

Mr. MacDONALD (Cape Breton): In view of the provisions in the bill that plants must be built according to certain specifications is it not possible to insert the fair wage clause in the measure?

Mr. STEWART (Edmonton): On construction?

Mr. MacDONALD (Cape Breton): Yes.

Mr. STEWART (Edmonton): We are not particularly interested in construction except to keep tab of costs. As my hon. friend from Winnipeg (Mr. Heaps) has pointed out, it is much more important that the employees who will be running the plant for at least twenty or twenty-five years should have protection than those persons who will probably be employed only for a short time. I do not know what excuse we should have for interfering in such a matter. We are not in any way taking part in the construction of plants.

Mr. MacDONALD (Cape Breton): But the government still intend to keep control of the situation. A person coming to the government and asking for a subsidy would not necessarily receive it. The government will decide in its own wisdom whether such a coking plant is necessary; in the event of one being already in existence it is not likely that another plant would be built to put the other plant out of business.

Mr. STEWART (Edmonton): I should say not.

Title agreed to.

Bill reported, read the third time and passed.

MISCELLANEOUS PRIVATE BILLS

Mr. GEORGES PARENT (Quebec West): With the consent of the House I should like to present the tenth report of the committee on miscellaneous private bills.

Mr. MACKENZIE KING: My hon. friend can do that a little later.

Mr. SPEAKER: This can be done only by unanimous consent.

ST. JOHN HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the third reading of Bill No. 226, relating to the harbour of St. John, in the province of New Brunswick.

He said: When this bill was being considered in committee of the whole it was understood that on the third reading I would answer one or two questions put to me by the hon. member for Acadia (Mr. Gardiner), referring particularly to the audit of the affairs of the commission. My hon. friend asked me if I would ascertain if these harbour commissions come under the Audit Act. I have ascertained that they come directly under the Audit Act passed in 1925.

Mr. GARDINER: There is just one other point that the minister was going to enlighten us upon, and that was as to whether the elevators built by these commissions come under the control of the Board of Grain Commissioners. I may say that I have looked into the matter and as far as I have found out, after studying the Grain Act very carefully, they will come under the control of that board. That will be satisfactory.

Motion agreed to and bill read the third time and passed.

CANADIAN NATIONAL RAILWAYS

FREIGHT RATES TO BE CHARGED ON EASTERN LINES

Hon. J. L. RALSTON (for the Minister of Railways) moved the third reading of Bill No. 224, respecting the Canadian National Railways and the tariffs of tolls to be charged on eastern lines.

Motion agreed to and bill read the third time and passed.

SOLDIER SETTLEMENT ACT, 1919, AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

Hon. ROBERT FORKE (Minister of Immigration and Colonization) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 61, to amend the Soldier Settlement Act, 1919.

Mr. ROBERT GARDINER (Acadia): I would ask the minister what the scope of these amendments is.

Mr. FORKE: One of the Senate amendments provides that an appeal shall be had to the Exchequer court from the decision arrived at by the board. I think I explained when I first introduced the bill that the Exchequer court has the power to delegate the appraisement or revaluation of the land to a county court judge or to such an officer as it may see fit. If the Exchequer court appointed a county court judge to make the revaluation, that judge would most probably call in a member of the board and the soldier settler affected. Then you will have exactly the same court as you would have had under this bill as introduced into this House, except that when the county court judge makes his decision, he will report to the Exchequer court instead of making a judgment, the Exchequer court, of course, making the final judgment. I recommend concurrence in the amendments.

Mr. GARDINER: I presume that the Exchequer court will make these appointments; there is no question about that?

Mr. FORKE: There is no question about that.

Mr. GARDINER: Are there any further amendments?

Mr. FORKE: No.

Motion agreed to; amendments read the second time and concurred in.

CHICOUTIMI HARBOUR COMMISSION

LOAN FOR TERMINAL FACILITIES

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to authorize a loan to the harbour commissioners of Chicoutimi in an amount not exceeding $500,000, to carry on the construction of terminal facilities, upon approval by the governor in council of detailed plans, specifications and estimates for such works and the deposit of debentures of the corporation to cover said loan.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

[Mr. Ralston.]

Mr. CARDIN: This resolution provides for a loan of $500,000 to the Chicoutimi harbour commission, which is being organized under the legislation passed by the last parliament. This amount is required to cover the cost of the extension of the wharves that already exist in the harbour at Chicoutimi. It is expected that an enormous traffic will develop in the very near future in this port, for as hon. members know, it is of growing importance on account of the developments being made by the aluminum company which is established there, as well as several pulp and paper mills which have been constructed in the vicinity. We have calculated that the amount of this loan, together with interest and sinking fund, will be entirely taken care of by the revenue we expect to derive from this port during the course of the next year. This proposal is along the same lines as the legislation relating to the harbour commissions of Vancouver and Montreal. If we had not followed that line, we would have been compelled to come to parliament for a vote under the Public Works department.

Mr. GARDINER: This is the first vote of money for this harbour?

Mr. CARDIN: Yes.

Mr. GARDINER: What is it proposed to spend this money on?

Mr. CARDIN: On the extension of wharves.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 272, to provide for a loan to the Chicoutimi harbour commissioners.

Motion agreed to, bill read the first and second time, considered in committee, and reported.

HALIFAX HARBOUR COMMISSION

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the third reading of Bill No. 225, respecting the Halifax harbour commissioners.

Hon. W. A. BLACK (Halifax): In connection with this bill, Mr. Speaker, I should like to point out that the situation in connection with Halifax harbour is somewhat different from that of any other port perhaps in the Dominion, inasmuch as the property there, outside of that owned by the railways and other departments of the government, is all private property. The government and railway property, that is, the elevator coming

under Trade and Commerce, and the wharves coming under the Department of Railways, are at the present time very well managed, economically managed, I think I can say. It is these properties, as I understand this bill, that will be taken over by the commission. Different departments of the government will be paid for these properties by money raised, I suppose, on debentures guaranteed by the government, and the private property will remain as it is. In Montreal I think all the harbour is under the control of the board, and that all the property is owned by the board. Comparing these two bills, the city of St. John is interested to an amount beyond $2,000,000 which will be returned to them by the commission there, and practically the whole of the harbour in St. John will be under the harbour commission. Such is not the case in Halifax. As I understand the proposal, the only transfer of property will be that now owned by the government and managed by the government. The transfer to the harbour commission in Halifax means, that in order to pay the interest on the moneys paid for these properties, to pay the commissioners and to pay the management of the whole organization, goods will be taxed an amount per ton. I do not know how much—which somebody has to pay, whether it is the ships carrying those goods or whether it is the goods themselves—and that tax will have to be paid in order to keep up the harbour commission. At the present time charges such as will be introduced by the harbour commissioners are borne, rightly I think, by the railways. They are included in the through freight rate, and there is no further tax on those goods. That tax on these goods for the upkeep of the harbour and of the commission will be a tax placed upon the traffic of the port to which the port is not now subject, and to that extent it will be a disadvantage to the port as an outlet and an inlet for Canadian trade. I may say that in that connection I received a telegram from Halifax as follows:

> Joint committee of city council and board of trade have wired Colonel Ralston approving of the harbour commission bill but wish to only have it put in force by order in council, giving time for a conference with the government to work out details before any appointment commissioners. Also adding a clause giving commission power to use funds to canvass trade for the port.

The latter suggestion with regard to funds to canvass for trade would be in line I think with the Duncan report, because it suggested that a commission would be able to advertise the port, and possibly through that advertising bring trade there. The request seems to be a fairly reasonable one, and perhaps the Minister of Marine and Fisheries (Mr. Cardin) may see his way clear to meet the wishes of our Halifax friends, the board of trade and city council, by adding a clause such as they suggest, and also giving permission, if such is necessary, that the expense in connection with the advertising of the port be borne by the commissioners. Apparently, if the details can be worked out satisfactorily in connection with the change of management down there, there will be no difficulty at all with regard to putting the bill in force. But the request on the part of Halifax seems reasonable, and I hope that the minister may see his way clear to deal with the bill in such a way that the wishes of our Halifax friends can be fully considered. I can assure hon. members that it is a very important matter. In looking over the bill I find that it requires a good deal of study. There is a good deal of detail that should be worked out in connection with the city of Halifax, which is an exceptional port in the Dominion of Canada.

Mr. CARDIN: I cannot see any difference between the situation in Halifax and the situation in St. John. I think the argument of my hon. friend is rather an argument against one of the recommendations of the Duncan report, because there is no alternative and there is nothing indefinite in the recommendation of the Duncan report. What they want is the organization of a harbour commission. We are complying exactly with the recommendation of the Duncan report with regard to the incorporation of a harbour commission, and I feel that I cannot accept the suggestion of my hon. friend to add a clause that the bill become law only by proclamation.

Mr. STEVENS: Would the minister permit me to make a suggestion which I think will meet the idea of my hon. friend, which he may not have thought of? Section 5 states that the board shall consist of three commissioners to be appointed by the governor in council. The commission does not come into existence until the governor in council appoints it. If the minister would give to my hon. friend, and through him to the board of trade of Halifax, the assurance that the commissioners would not be appointed until there was an opportunity of hearing the board of trade, it would accomplish exactly what my hon. friend suggests.

Mr. BLACK (Halifax): That would be satisfactory.

Mr. CARDIN: I think I can accept the suggestion, and if in the meantime it is desired to drop the recommendation of the Duncan report, if we are requested to do so by the people interested, I have no objection. As far as the matter of advertising is concerned, I think we need have no fear in that regard. The commission will be quite capable of making all the advertisement necessary in connection with the revenues of the port. They are authorized to do that and are able to do it.

Mr. STEVENS: Just as they do in Vancouver.

Mr. RALSTON: I have before me the telegram which the hon. member for Halifax referred to, and I took it upon myself to confer with him and to let him know the matter was coming up. I feel under the circumstances it would not be likely that the government could concur in the suggestion which was made, namely, to make an amendment to the bill providing that it should not come into force except by proclamation. I suggested to him, as has been suggested by the hon. member for Vancouver Centre (Mr. Stevens), that before the appointment of the commission, as far as I was concerned as minister from Nova Scotia—and I am sure my colleagues would join with me in that regard—I would be glad to give the board of trade and city council an opportunity to make any recommendations in connection with details such as are suggested in the telegram. I may say that I felt that I would be taking on myself a responsiblty which I did not think I should assume if power were retained on the part of the government to make this legislation entirely ineffective by the addition of such a clause as is suggested, and I assume the senior member for Halifax will accept the assurance of the Minister of Marine and Fisheries in connection with the matter.

Mr. GUTHRIE: The Minister of Marine and Fisheries seems to have misapprehended the attitude of the senior member for Halifax. He does not desire in any way to interfere with the bill which is brought before this House pursuant to the Duncan report, but merely suggests a conference between the officials at Halifax, the board of trade and the city council, before the act is put into operation. I think he stated his case quite clearly, but the Minister of Marine and Fisheries seemed to think in some way that the hon. senior member for Halifax desired to abandon this part of the report. I am sure my hon. friend had no such desire or intention.

[Mr. W. A. Black.]

Mr. BLACK (Halifax): That was not my intention at all.

Motion agreed to, and bill read the third time and passed.

MARINE AND FISHERIES DEPARTMENT

DIVISION INTO TWO BRANCHES WITH SEPARATE DEPUTY MINISTERS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee on Bill No. 258, to amend the act respecting the Department of Marine and Fisheries.

Motion agreed to and the House went into committee thereon, Mr. Johnston in the chair.

On clause 1—Constitution of department with two branches.

Mr. SPENCER: Can we have a short explanation of this bill?

Mr. MACKENZIE KING: It is simply to provide a Deputy Minister of Fisheries as distinct from a Deputy Minister of Marine, so that there will be two deputy heads in that department.

Mr. JELLIFF: What are the salaries of the two deputies?

Mr. MACKENZIE KING: I do not know offhand what salary the present deputy minister is getting, but I think it is $6,000 a year. Whoever is appointed to this position will receive the salary which the present deputy is gettting.

Mr. SPENCER: Is the purpose of the bill to give assistance to the present deputy minister? Is the present deputy overloaded with work?

Mr. MACKENZIE KING: This is in order to carry out the recommendation in the Duncan report that there should be a separate deputy for the Department of Fisheries as distinct from the Department of Marine.

Section agreed to.

Sections 2 to 5 inclusive agreed to.

On the preamble.

Mr. GARDINER: How many deputy ministers have we at the present time?

Mr. MACKENZIE KING: I am sorry, speaking offhand, I cannot tell my hon. friend, but I shall be glad to give him that information when we get into supply on some department.

Mr. GARDINER: The reason why I ask the question is this. It seems to me we are

getting top heavy in our civil government in this country. The time has come when some rearrangement should be made whereby we can cut down many of the deputy heads that, in my judgment, are not necessary. Let us have a little more business injected into the carrying on of the public service in order to save money and get better results. This proposition of creating new deputy ministers is getting far beyond the needs of the country.

Mr. MACKENZIE KING: This is an exceptional case. It is carrying out the recommendation of the Duncan report.

Preamble agreed to.

Bill reported, read the third time and passed.

PRIVATE BILLS

Mr. S. W. JACOBS (Cartier): If I can get the unanimous consent of the House I beg to move that the House revert to motions.

Motion agreed to.

Mr. JACOBS moved:

That Senate Bills Nos. 261 to 268, both inclusive which were read a first time this morning, be placed on the order paper among private bills for second reading this day.

I am presenting this motion on behalf of the hon. member for Quebec West (Mr. Parent), chairman of the private bills committee.

Motion agreed to by unanimous consent.

Mr. JACOBS: I beg to move that Senate Bills Nos. 261 to 268, both inclusive, be now read a second time.

Motion agreed to.

SECOND READINGS

Bill No. 261, respecting a certain patent of R. T. Vanderbilt Company.—Mr. Edwards (Ottawa).

Bill No. 262, for the relief of John Henry Fisher.—Mr. Rennie.

Bill No. 263, for the relief of Leo Bruce Burley.—Mr. Tummon.

Bill No. 264, for the relief of Hilda Parker.—Mr. Pettit.

Bill No. 265, for the relief of Gladys Ivy Turner.—Mr. Casselman.

Bill No. 266, for the relief of Rose Ann Hill.—Mr. Speakman.

Bill No. 267, for the relief of Annie Mary Ann McCulloch.—Mr. Ladner.

Bill No. 268, for the relief of George Melvil Fleet.—Mr. Bell (Hamilton).

On motion of Mr. Mackenzie King the House adjourned at 11.50 p.m.

Wednesday, April 6, 1927

The House met at eleven o'clock.

BANKING AND COMMERCE COMMITTEE

Fourth and fifth reports of the select standing committee on banking and commerce—Mr Hay.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

* INTERPROVINCIAL CONFERENCE, 1926

Mr. LOVIE:

1. Were any requests or representations by correspondence or otherwise made to the government of Canada by any of the provincial premiers, previous to the Interprovincial conference of 1926, asking to have the said conference called?

2. If so, what are the names of the premiers who made such request?

3. What reasons were given by each for having such conference called?

Right Hon. W. L. MACKENZIE KING: I will answer this question verbally. As far as I have been able to discover, there is nothing on the files of any of the departments of the government in the nature of correspondence requesting such a conference. There were verbal conversations passed between some of the provincial premiers and myself regarding the possibility of the provinces holding an interprovincial conference. I cannot at this time recall what the representations or the replies were, beyond saying that I am sure that the position I took was that an interprovincial conference was a matter for the provinces themselves to arrange, and not a matter in which the Dominion was primarily concerned.

INCOME TAX DEPARTMENT EMPLOYEES

Mr. SPENCER:

When the Income Tax department is incorporated into that of National Revenue will the employees come under Civil Service Commission?

Hon. Mr. EULER: No.

PUBLIC SERVICE RETIREMENT ACT

Mr. WOODSWORTH:

1. Under the Calder Act were the "prevailing rate" men, permanently employed by the Public Works department or other departments, eligible for retirement with pension?

2. Are these men eligible for retirement with pensions under the Superannuation Act?

3. If not, what provision does the government plan to make to provide for this class of employees?

Hon. Mr. RINFRET:

1. Under the Public Service Retirement Act (Calder Act) hourly rate employees of the

Department of Public Works and other departments, were made eligible for retirement with retiring allowance provided by an act from June 1922 when the amendment (chapter 12-13 Geo. V) was passed to chapter 67, 10-11 Geo. V.

2. No.

3. The employees referred to will be eligible for benefits under the Superannuation Act when they comply with the provisions of section 2 of the act.

*VALIDITY OF INSURANCE ACT, 1917

Mr. YOUNG (Toronto Northeast):

1. Has the minister given instructions to appeal the decision of the appellate division of the Supreme Court of Ontario, delivered the 19th February, 1926 (re Insurance Contracts, 58, O.L.R. 404) which held the licensing and other sections (11, 12 (1), 71, 71 (a), 134 and 134 (a)) of the Insurance Act, 1917, ultra vires the legislative competence of the parliament of Canada?

2. If not, why?

3. What effect, if any, does the government propose to give to the following resolution unanimously adopted at the interprovincial conference in Ottawa in June, 1926, when six provincial premiers and ministers of the crown from every province except Alberta, convened to discuss matters of mutual concern:

"This conference is of opinion that the Dominion should repeal its legislation regulating contracts of insurance and the business of insurance as ultra vires the legislative competence of the parliament of Canada, or, in the alternative, take immediate steps to appeal the decision of the Ontario courts to the judicial committee of the Privy Council."

Hon. Mr. ROBB: This question is to be answered orally. The answer to No. 1 is: No. The answer to Nos. 2 and 3, is: So far as the minister is aware none of the resolutions of the interprovincial conference said to be held in June last has ever been submitted by the conference to the government.

MAIL CONTRACTS IN RICHMOND, NOVA SCOTIA

Mr. MacDONALD (Cape Breton South):

1. Who has present contract for carrying mails between Grand River and L'Ardoise in the county of Richmond, Nova Scotia?

2. When was such contract given and for what amount?

3. Were there more than one tenderer for the contract, and if more than one, what were the amounts of the various tenders?

4. Has any contract for the conveyance of mails between St. Peters and Lower L'Ardoise been made, if so, what is amount of such contract, and if not, what arrangement now exists for such work?

Hon. Mr. VENIOT:

1. Alex Cameron of Grand River.

2. 15 December, 1926—$500 per annum.

3. 3—$500, $500 and $633 per annum.

4. Yes:—$950 per annum.

[Mr. Rinfret.]

POSTMASTER AT BRAGG CREEK

Hon. Mr. BENNETT:

1. Who is postmaster or postmistress at Bragg Creek?

2. When was he or she appointed?

3. On whose recommendation?

Hon. Mr. VENIOT:

1. Mrs. Mary Wilson.

2. 20th January, 1927.

3. Recommendation of government candidate for constituency.

EMPLOYMENT OF FRANK HUTCHINSON

Hon. Mr. BENNETT:

1. Is Frank Hutchinson employed in the post office at Edmonton, Alberta?

2. If so, when was he employed?

3. At what salary?

4. On whose authority?

5. Has he passed any civil service examination?

6. If so, when?

Hon. Mr. VENIOT:

1. No.

2. 3. 4. 5. and 6. See answer to No. 1.

BUSINESS OF THE HOUSE

MOTIONS TO EXPEDITE PRIVATE BILLS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Might I ask permission, Mr. Speaker, to return to motions with respect to certain private bills in order to help expedite their passage, if thought desirable. I beg to move, seconded by Mr. Robb:

That private bills, Nos. 118, 148 and 179 to 213, both inclusive, and 216 to 223, both inclusive, and No. 165, being unopposed divorce bills which have been reported from the select standing committee on miscellaneous private bills, be now read a third time; and that rule 28 be suspended in relation thereto.

Mr. SPEAKER: Carried by unanimous consent.

Mr. BEAUBIEN: On division, Mr. Speaker.

Motion agreed to on division.

Mr. MACKENZIE KING moved:

That said bills do now pass and that their titles be as on the order paper.

Motion agreed to.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, in order to facilitate the passing of similar measures for the balance of the session, I beg to move, seconded by Mr. Robb:

That for the remainder of the session all private bills from the Senate when received from that House be read a first and second time and referred forthwith; and that rule 103 respecting the posting of bills be suspended in reference thereto.

Mr. SPEAKER: By leave of the House.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, before the motion passes I should like to make a few remarks in reference to it. Again and again private members have protested against this way of passing divorce bills. As a member of the private bills committee I know the practice there is simply to receive the bills as they come from the Senate. The evidence is submitted to us in pamphlet form, but it is rarely read, and the bills go through the committee and the House without any consideration whatever. Occasionally bills that are controversial in character are held up, but that is very seldom. This session we have between 100 and 150 divorce bills going through all the stages of parliamentary procedure without any real consideration from this House. I understand that a bill has come to us from the Senate and has passed first reading in this House that would go a long way towards obviating the present method of conducting business—which is little less than a public scandal. The purpose of the Senate bill is to take away very largely from parliament the granting of divorces and transfer this to the courts, where it belongs. I would urgently press upon the government that, instead of setting aside the rules of this House, in order to get over this difficulty they should afford facilities for passing this measure, and thus put an end to this scandalous condition that for many years has prevailed.

Mr. A. M. CARMICHAEL (Kindersley): Mr. Speaker, I would remind the Prime Minister that there are some other private bills in which some of us are interested and would like to see expedited. I have particular reference to Bill No. 177 to incorporate the Free Methodist Church in Canada. This bill has been reported from the private bills committee, but under the ordinary procedure it will not come before the House until Friday between eight and nine o'clock, and if then we should have a recurrence of what happened last night there is little hope of the bill being considered. Is there any possibility of having this bill placed in such a position that it may be disposed of by this House in the very near future, so that the Senate may have time to consider it before prorogation?

Mr. GEORGES PARENT (Quebec West): Mr. Speaker, I do not know if the hon. gentleman is aware that the bill to which he has reference was reported last night, and following the ordinary course of business it should become law before the end of the session. Everything is being done to expedite the passage of this and other bills.

Mr. CARMICHAEL: I understand that quite well. But the point I make is this: Can any special consideration be given to this bill as well as to a number of divorce bills, so that instead of having it blocked again on Friday night, thus having it held over until next week and failing to be enacted, something can be done to take care of it.

Hon. LUCIEN CANNON (Solicitor General): Mr. Speaker, last night a report was brought in by general consent of the House, and there is no doubt that arrangements could be made in order to expedite bills which are not considered to be contentious. Last night business was held up, I understand, on a bill which in the opinion of some members is contentious. I have been following the business of the private bills committee carefully, and I can assure my hon. friend that I will do my very best to help along the consideration of his bill.

Mr. A. L. BEAUBIEN (Provencher): Mr. Speaker, will all the bills which have been reported by the committee be passed in this House if they are approved by the Senate and so become law before the session ends, or will divorce bills only get this consideration?

Mr. CANNON: All bills.

Mr. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, I introduced Bill No. 107, which came before the committee of the whole House last evening, and was talked out. If that bill comes to a vote I have no doubt that it will meet with the approval and support of a majority of the members of this House.

Some hon. MEMBERS: No, no.

Mr. GUTHRIE: Well, let us vote on it.

Mr. CAHAN: I think there is no doubt about that. Now, when a private bill is obstructed the only safeguard which a private member has with respect to his bill is to insist that all private bills must be held up in like manner. I have no objection at all to Bill No. 107 going to a vote, but I do not think it fair and equitable that other private bills

should be given precedence. As a matter of fact, I at once withdraw all objections to giving precedence to Senate bills, dealing with divorce, for I think we should help the orderly progress of the work of the House towards the close of the session; but with respect to any other private bills, I think they should keep their place on the order paper so that we may have some opportunity of securing a vote of the House on the private bill in which I am interested.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion?

Mr. COOTE: On division.

Mr. SPEAKER: Carried on division.

THIRD READINGS

Bill No. 118, respecting certain patents of James McCutcheon Coleman.—Mr. Jacobs.

Bill No. 148, respecting a certain patent owned by Chester Earl Gray and Aage Jenson. —Mr. Jacobs.

Bill No. 165, for the relief of James Edward Barnaby (as amended).—Mr. Garland (Carleton).

Bill No. 179, for the relief of Helen Pettit Bruce.—Mr. Young (Toronto Northwest).

Bill No. 180, for the relief of Hugh Devlin. —Mr. Pettit.

Bill No. 181, for the relief of Charles Wilson. —Mr. Kaiser.

Bill No. 182, for the relief of Josephine Rae Ennis.—Mr. Ladner.

Bill No. 183, for the relief of Della Laurel Cox.—Mr. Kaiser.

Bill No. 184, for the relief of Rose Glucksberg.—Mr. Heaps.

Bill No. 185, for the relief of Murray Richard Minler.—Mr. Speakman.

Bill No. 186, for the relief of John Leslie MacLellan.—Mr. Casselman.

Bill No. 187, for the relief of Elizabeth Brown.—Mr. Geary.

Bill No. 188, for the relief of Matilda Emily Cantrell.—Mr. Young (Toronto Northeast.

Bill No. 189, for the relief of Mary Ellen Walker.—Mr. Hocken.

Bill No. 190, for the relief of Edwin Walter Wood.—Mr. Matthews.

Bill No. 191, for the relief of Harriett Robinson.—Mr. Anderson (Toronto-High Park).

Bill No. 192, for the relief of Homera Emilie Hodgson.—Mr. Garland (Carleton).

[Mr. Cahan.]

Bill No. 193, for the relief of Paul Elester Scarr.—Mr. Luchkovich.

Bill No. 194, for the relief of Ronald Lorne Johnston.—Mr. Goodison.

Bill No. 195, for the relief of Eva O'Neill. —Mr. Garland (Carleton).

Bill No. 196, for the relief of Mabel Beatrice Nash.—Mr. Edwards (Ottawa).

Bill No. 197, for the relief of Isabella Emily Blue.—Mr. McGregor.

Bill No. 198, for the relief of Cherie Amy Aston.—Mr. Preston.

Bill No. 199, for the relief of Ida Gertrude LeFevre.—Mr. Spence (Parkdale).

Bill No. 200, for the relief of Inez Mary Pitcher.—Mr. Garland (Carleton).

Bill No. 201, for the relief of Charles Murray Mutch.—Mr. Arthurs.

Bill No. 202, for the relief of Estelle Henrietta Cartwright.—Mr. Casselman.

Bill No. 203, for the relief of Ronald Ross File.—Mr. Lennox.

Bill No. 204, for the relief of Grace Mantle. —Mr. Church.

Bill No. 205, for the relief of Emma May Ryan.—Mr. Arthurs.

Bill No. 206, for the relief of Muriel Martha Hammond.—Mr. Ryckman.

Bill No. 207, for the relief of Anna Mae Francis.—Mr. Tummon.

Bill No. 208, for the relief of Harold James Hubbard.—Mr. Spence (Parkdale).

Bill No. 209, for the relief of Indiaetta Muriel Taylor.—Mr. Lennox.

Bill No. 210, for the relief of William Arthur Dillabough.—Mr. Anderson (Toronto).

Bill No. 211, for the relief of James Alfred McCabe.—Mr. Casselman.

Bill No. 212, for the relief of Frederick George Jones.—Mr. Church.

Bill No. 213, for the relief of Manford York. —Mr. Harris.

Bill No. 216, for the relief of Queenie Isobel Parks.—Mr. Bothwell,

Bill No. 217, for the relief of Charles Shedrick Phillips.—Mr. Anderson (Toronto).

Bill No. 218, for the relief of Lavina Harrison.—Mr. Bell (Hamilton).

Bill No. 219, for the relief of Marretta Isobelle Grose Leach.—Mr. Heaps.

Bill No. 220, for the relief of Mabelle Amelia Bulmer.—Mr. Anderson (Toronto).

Bill No. 221, for the relief of John Lauron Garfield Evans.—Mr. Anderson (Toronto).

Bill No. 222, for the relief of Ernest Arthur Kingston.—Mr. Young (Toronto).

Bill No. 223, for the relief of Norah Louise Patricia Campbell Chauvin.—Mr. Garland (Carleton).

TARIFF ADVISORY BOARD

QUESTION OF A PRINTED OFFICIAL REPORT OF EVIDENCE AND PROCEEDINGS

On the Orders of the Day:

Mr. H. B. ADSHEAD (East Calgary): Is it the intention of the government to prepare a "Hansard" of the evidence taken before the Tariff Advisory Board and to supply every member of the House with a copy thereof?

Hon. J. A. ROBB (Minister of Finance): That question has been discussed by various people, and we have been urged to have a "Hansard" prepared. As my hon. friend knows, however, there has been given in the press fairly complete publicity to the inquiry—

Mr. COOTE: No.

Mr. ROBB: —and at the moment we are not convinced that any good purpose could be served by printing the evidence which is taken from time to time. That is one reason why the evidence has not been printed. Another reason is the considerable expense it would mean to the country. I trust my hon. friend will not urge his request this year. Let us try the present method for another year so that we may ascertain in the meantime whether it is really necessary to have the evidence printed. If there are any cases in which hon. gentlemen are particularly interested we shall be glad to supply them with typewritten copies of the evidence, but I know that lobbying is going on to have this printing done for the benefit of persons who are interested in translating and in the obtaining of printing contracts.

NATURAL RESOURCES—WESTERN PROVINCES

On the Orders of the Day:

Hon. LUCIEN CANNON (Solicitor General): The question was asked yesterday by the hon. member for Frontenac-Addington (Mr. Edwards) whether judgment had been rendered by the Supreme Court in the Alberta school reference. I may inform my hon. friend that judgment has not yet been given.

CONFEDERATION BILINGUAL STAMPS

On the Orders of the Day:

Hon. J. W. EDWARDS (Frontenac-Addington): I would direct the attention of the Postmaster General (Mr. Veniot) to a statement in an article in the Montreal Gazette of the second instant, copied from the French press; to the effect that it had been decided to issue bilingual postage stamps in connection with the sixtieth anniversary of confederation. Has the government decided to issue bilingual postage stamps and if so, is such an issue to be confined to the year 1927 in commemoration of the sixtieth anniversary of confederation, or is to be permanent?

Hon. P. J. VENIOT (Postmaster General): In consequence of representations made to the committee in charge of arrangements in connection with the forthcoming celebration, a resolution was unanimously adopted by that committee in favour of the issuing of bilingual stamps for the occasion. The Postmaster General has decided to meet the wishes expressed in the resolution and to authorize the issue. So far as the future is concerned that must remain a matter for consideration.

Mr. EDWARDS (Frontenac): May I ask the Prime Minister (Mr. Mackenzie King) whether the government has any intention in further commemoration of the sixtieth anniversary of confederation of appointing a special committee to design a bilingual flag for the country?

Sir GEORGE PERLEY: I may say to the Postmaster General—

Mr. EDWARDS (Frontenac): I want an answer to my question.

Right Hon. W. L. MACKENZIE KING (Prime Minister): "Bilingual flag" is a contradiction in terms.

Mr. EDWARDS (Frontenac): I knew that my right hon. friend would appreciate that point.

Sir GEORGE PERLEY (Argenteuil): I understood the Postmaster General (Mr. Veniot) to say that the resolution to which he has referred was unanimously adopted by the Jubilee committee. As I remember the discussion we had on the subject, the general opinion was that the stamps to be issued might take some special form for this year, the words to be used being such as were common to both French and English—"Confederation—Canada", for example. That is the way I understood the resolution.

Mr. VENIOT: Had I known that this question would come up to-day I would have had the resolution with me. As I recollect it, the resolution does suggest, as my hon. friend says, that these words should, as far as possible, be common to both languages.

Sir GEORGE PERLEY: Not "as far as possible" but actually.

Mr. VENIOT: No, the resolution does not say that.

Sir GEORGE PERLEY: Will the Postmaster General get the resolution?

Mr. VENIOT: Yes.

Sir GEORGE PERLEY: I should like to see it.

EMPLOYMENT OF DISABLED VETERANS

On the Orders of the Day:

Mr. J. F. WHITE (London): On Monday last the Postmaster General informed the House that he was preparing a statement in answer to the accusation that amputation cases had not been justly dealt with. In this regard I have on the order paper some questions which have not yet been answered and I should like to know when the information will be given to the House.

Hon. P. J. VENIOT (Postmaster General): The statement may possibly be ready to-day. I may inform the House, pending the return of the answer, that the situation has been wrongly stated in the press. I will give the complete details later, but at the moment I may observe that the question arose out of the fact that certain vacant positions in the postal service were advertised for which it would be impossible to engage returned men, who were amputation cases, to fill. The statement was made by the Civil Service Commission to that effect respecting this particular class of employment, and in that way the rumour got out that the postal service had decided that in the future it would not take on amputation cases. That is not so; it is not the policy of the department. The policy is, so far as possible, to meet the wishes of the Canadian Legion who I understand represent the returned men, and wherever it can be done to accommodate amputation cases. There are instances in which this is impossible, but that is the general policy of the department, and we are not departing from it. In the case of vacancies occurring in positions held by amputated men the appointment will certainly be given to soldiers who have undergone amputation.

[Sir George Perley.]

Mr. A. E. ROSS (Kingston City): Is this the statement which the Postmaster General intended giving the House, or may we expect a further statement in regard to amputation cases?

Mr. VENIOT: It will be supplemented.

Mr. ROSS (Kingston City): It is hardly fair to treat all amputation cases alike.

Mr. VENIOT: That is right.

CANADA GRAIN ACT AMENDMENT

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): There has arisen a serious situation which it is my duty to call to the attention of the Minister of Trade and Commerce (Mr. Malcolm) in the hope that he will give an answer. I am informed that when the amended grain bill, which passed through this House recently, came before the Senate, that honourable body or some members of it took it upon themselves to suggest that the Minister of Trade and Commerce was not in favour of the amendment and in support of that assertion stated that a letter had been written by him to the Board of Grain Commissioners for a suggestion as to a modified amendment. I understand that such an amendment was submitted to the minister, and I now desire to give him an opportunity of putting himself, as I suggest it is his duty to do, in keeping with the policy of the government in this matter. I would ask him whether he was opposed to the amendment which was introduced and passed in this House. He should dissipate these rumours.

Hon. JAMES MALCOLM (Minister of Trade and Commerce): The hon. member is correct in saying that I wrote to the chairman of the Board of Grain Commissioners asking him for suggestions as to the proposed amendments to the Grain Act. It is true he submitted certain amendments to the act and it is also true that representations were made to me by the producers. The Grain Act is a producers measure, and after hearing the representation of the producers, of the board and of the trade, I considered, and this was the opinion of the government, that it was wiser to introduce such amendments to the act as we submitted. No one has any right to offer any further comments.

TYPHOID EPIDEMIC IN MONTREAL

On the Orders of the Day:

Mr. T. E. KAISER (Ontario): I would like to ask the Minister of Health (Mr. King) whether the Dominion Medical Health Coun-

cil has been called together to consider the epidemic in Montreal and the conditions which made that epidemic possible. If that has not been done, why not?

Hon. J. H. KING (Minister of Health): The Dominion Medical Health Council has not been called together. The epidemic in Montreal is being dealt with by the local board of health in coöperation with the provincial board of health. The Department of Health at Ottawa have been in touch with the local organization and with the provincial board, but outside of that we have not taken any action, as it is not within our province so to do.

CHICOUTIMI HARBOUR COMMISSION

LOAN OF $500,000 FOR TERMINAL FACILITIES

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the third reading of Bill No. 272, to provide for a loan to the Chicoutimi harbour commissioners.

Mr. COOTE: I would like to ask the minister if this bill has been printed; it does not appear to be on file.

Mr. CARDIN: It is true that the bill is not on file, but it was put through last night. This bill is in absolutely the same form as those bills which provide for advances to the harbour commissioners of Montreal and Vancouver; it provides for an advance of $500,000 to the new harbour commissioners of Chicoutimi, and the terms of the advance are the same as those which apply to the advances made to the harbour commissioners of Vancouver and Montreal.

Mr. COOTE: Is it not printed yet?

Mr. CARDIN: I am informed that it is printed.

Motion agreed to and bill read the third time and passed.

DEBTS DUE THE CROWN

CONCURRENCE IN SENATE AMENDMENT

Hon. CHARLES STEWART (Minister of the Interior) moved the second reading of and concurrence in an amendment made by the Senate to Bill No. 122, respecting certain debts due the crown.

Mr. COOTE: Would the minister please explain?

Mr. STEWART (Edmonton): The amendment simply provides that the records of these transactions shall be brought down in a report to this parliament annually, as other reports are brought down.

Motion agreed to, amendment read the second time and concurred in.

SPECIAL WAR REVENUE ACT, AMENDMENT

The House resumed from Friday, April 1, consideration in committee of Bill No. 230, to amend the Special War Revenue Act, 1915—Hon. Mr. Robb—Mr. Johnston in the chair.

The CHAIRMAN: All the sections of this bill have been adopted in committee with the exception of section 8.

Section 8 agreed to.

Bill reported, read the third time and passed.

VANCOUVER HARBOUR COMMISSION

LOAN OF $4,000,000 FOR TERMINAL FACILITIES

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 215, to provide for a loan to the Vancouver harbour commissioners.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Johnston in the chair.

Section 1 agreed to.

On section 2—Loan of $4,000,000 to harbour commissioners for terminal facilities.

Mr. COOTE: I do not want to express any opposition to this bill, but at this time I would like to draw the attention of the minister to certain operations of the Vancouver harbour commissioners and to suggest that the result of those operations would lead the House to believe that we should have some different system of auditing the accounts of our harbour commissioners. Of course I will have to confine myself to those matters relating to the Vancouver harbour commission. I think that a year ago the minister advised the committee of this House that there was no item in the estimates under which the operations of the Vancouver harbour board, or in fact any harbour board, could be discussed here, and that as a matter of fact the only time when we could review the expenditures of harbour commissions was when these bodies came before parliament asking for a grant of money to carry on or to extend their operations. I have here a report brought down a couple of years ago showing the earnings and expenditures of elevator No. 1, operated by the Vancouver harbour commission, for the crop year ending July 31, 1923. This return shows that the harbour commissioners received a revenue from the operations of the elevator of $203,477.96, whilst the expenditure was $106,329.10, disclosing a net operating revenue in that year of $97,148.86. Notwithstanding their large net revenue that year, the commissioners

advanced the handling charge from one-half cent a bushel to one cent a bushel for the following year. I have here the auditor's report of the operations of the elevator for the crop year ending July 31, 1924, which shows an operating revenue of $791,186.65, and overages for the year valued at $191,006.31. I may remark here that these overages are not shown in the balance sheet made up by the auditor but they appear under separate items. That makes total receipts of $981,-192.96 for this elevator in that year, or almost a million dollars. The operating expenditure is given as $481,295.51. The total investment made by the commission in this elevator is given as $1,327,787.22, showing the operating surplus to be 36 per cent on the investment. The handling charge this year, as I said before, was one cent per bushel. There was an amount set aside for sinking fund of $71,985, leaving a net surplus of $409,310.51. Notwithstanding this very large surplus the board, in the fall of 1924, increased the harbour dues on grain from one cent to ten cents per ton. The only inference I think which can be drawn from this is that the Vancouver harbour commissioners have been using the elevator to collect from the shippers of grain a toll which is not justified by the necessities of the elevator, and, as will be shown probably later on, the harbour commissioners have used a large percentage of the revenue for capital expenditures in the harbour, amounting, I believe, to $1,800,000.

Now, I want to refer again to the auditor's statement which I have here and which I may say was procured from the department last year. On the expenditure side there is an amount of $71,284.11 for water front charge on grain handling. I hope the minister will give us an explanation of what this charge is for. There are no details given for the amount of $55,544, except to say that it is for miscellaneous expenses including administration. This seems to be rather a large amount. Then we have miscellaneous expenses, including administration and office salaries, totalling $37,674. It seems as though "administration" is included in both these items. The operating expenses are shown as $213,064, but there are no details given for this amount in the auditor's report. It appears to me, therefore, that the auditor's report cannot be considered to be complete if such a large amount is given without any details. I have been told that there were no les than three audits made of the operation of this elevator during that year, that is the crop year ending July 31, 1924, in an endeavour to show the revenue from the elevator as small as possible. Then I should like to remind the minister that in the financial statement for that year the overages, estimated at $191,006.31, were not included. The total is simply shown on the statement as "placed in reserve." Then from the operating surplus, exclusive of overages amounting to $290,000, $120,000 is shown as "transferred to reserve fund." I should also like to know now what this reserve fund amounts to. I may say that this is the only auditor's report which I have ever seen concerning the operations of the board of commissioners of the Vancouver harbour, and I should like to emphasize again the necessity of having the operations of the board audited each year, and have the auditor's report available to members of parliament. This matter has been urged upon the minister upon previous occasions, but he has always refused to comply with our request that the operations of harbour commissions should be audited. But if parliament is going to make money grants to any of these boards we surely must have the privilege each year of scrutinizing their expenditures. Certainly as far as the Vancouver harbour board is concerned we are quite justified in requesting that their operations be considered by our public accounts committee.

Another item I would draw to the attention of the minister in connection with this audit is the $20,000 set aside out of the revenue for the crop year ending July 31, 1924, to provide for overhauling and repairing the elevator for the next season's operations, although the amount of $50,000 was included in the expenditure for preparing the elevator for the season's operations in the year ending July 31, 1924. It would appear as though the commissioners were including this charge for two years instead of one. Then no explanation is given as to the waterfront charge, amounting to $71,284, except to say that it was authorized by the board at the rate of one-quarter of a cent per bushel.

The auditors also state that they have examined the various insurance policies as to amounts only and not as to wordings. Surely the auditors should have carefully examined the wording of these policies. If not, I do not see how the audit can be considered to be a complete one. The auditors also state that in the grain shipped out there were included screenings to the extent of 25,762,990 pounds, and they estimate this at 268,255 bushels. This would show the weight per bushel of screenings to be about 90 pounds. As a matter of fact screenings weigh more nearly 30 pounds than 90 pounds to the bushel; but even if we take the weight at

60 pounds to the bushel, this would show a difference of 143,000 bushels.

The auditors' report shows that the grain handled represented an operating revenue per bushel of 1.488 cents; the operating cost per bushel was .941 cents, showing an operating surplus per bushel of .547 cents. In the face of these figures it is not difficult to see that a handsome surplus would be earned for the commission by the operation of this elevator.

I am dealing with the report to this extent in an endeavour to persuade the minister that he should include in this bill some provision for an audit by the Auditor General, or if he prefers, even by the audit board, but that the result of that audit should be included in the report of the Department of Marine and Fisheries or in some parliamentary report, so that we would have a right to examine and discuss the report on the estimates of the department.

I feel that the people of Alberta have almost as great an interest in this harbour as have the people of Vancouver. We are furnishing all the grain traffic for the port of Vancouver, and I notice that in one year, I think 1923, the quantity of grain shipped through that port was about 40 per cent of the total tonnage which was exported through it. If we had all the auditors' reports, I think we could show that more than 50 per cent of the net earnings of the port have been made from grain shipped from Alberta. I am only guessing at these figures, but at any rate a large amount of the earnings of the Vancouver harbour board have been made through the handling of Alberta grain. There has been considerable dissatisfaction in Alberta for several years over the operations of the board. More than a year ago an agitation was commenced in Alberta to have an Alberta man appointed on the Vancouver harbour board and we asked that a representative of the grain producers should be appointed to that position. There was a vacancy on the board at the time and so there was a splendid opportunity to give Alberta a representative on it. However, we were unable to persuade the government that that should be done. I do not want to blame the Minister of Marine and Fisheries for that; I do not believe he had much to say about the matter. I presume the Liberal association in Vancouver was really the body that stood in the way of such an appointment being made.

I think it was in the year 1923 that I was invited to go to Vancouver to be present at the opening of the Ballantyne pier. At that time we could not ship any grain to Vancouver from any point on the prairies because the elevators at Vancouver were choked and the Canadian Pacific could not furnish us with cars. I went there with the intention of urging upon the then Minister of Marine and Fisheries, the present Minister of Justice (Mr. Lapointe), that he should recommend to the government the granting of, say, $10,000,000 to the Vancouver harbour commission in order that more storage elevators might be erected at that point. After spending two or three days in Vancouver and looking over the operations of the then harbour board, I did not feel like taking that responsibility upon myself. I did not feel that the men who were handling that board should be entrusted with the spending of $10,000,000 in order to provide that accommodation.

I do not think we have had a satisfactory harbour commission in Vancouver since that time, and I regret that when the present board was appointed a few months ago, the government in the light of past experience did not see fit to recognize the claims of the grain producers in Alberta and to allow them to have a representative on the board. It would have been a good thing for the port of Vancouver if the Alberta grain producers had been allowed a representative on that board; it would have given the producers confidence that their interests in Vancouver were being properly looked after, and they would be much more anxious than they are at present to ship their grain through that port. Seeing that the board has been appointed I do not know that anything can be gained by urging it again upon the government at this stage; but before this bill goes through, I hope the minister will agree with us that some yearly audit should be made of the operations of this board and that these reports should be made available to parliament each year. I shall be pleased if the minister in his remarks will indicate his willingness to have this done, and as a matter of fact I would rather see him include in this bill some provision under which such an audit would be furnished to parliament each year.

Mr. CARDIN: Dealing first with the revenues coming out of the grain which is shipped through the harbour of Vancouver, I may say that for 1926 those revenues amounted to $769,815.99. The total revenue of the harbour was $2,193,670, so that the revenue from handling grain through Vancouver formed about one-third of the total revenues of that harbour. I mention this, not with any intention of minimizing the importance of the grain shipped through Vancouver, but only to illustrate that the other receipts are also somewhat important.

I have no objection to agreeing to a very large extent with the request of the hon. member for Macleod in regard to an audit of the operations of the Vancouver harbour commission. I may remind him that at present the business of the harbour commission is looked into in three ways. First of all the harbour commission have their own firm of auditors looking into their business every month during the year.

Mr. COOTE: Is that Wilson and Wilson?

Mr. CARDIN: Yes. This audit is of course for the information of the harbour commissioners themselves so that they may know exactly in what position they are, but the report of those auditors may be made available to all parties interested. Second, there is an audit made by the Department of Marine and Fisheries itself. The officers of the department have been getting information throughout the year in regard to the operations of the harbour commission. Third, we have the authority of the audit board which can be directed to make an extensive audit of all the business of the harbour commission and the report of the audit board must be tabled as soon as the session opens. Over and above that, under the Consolidated Revenue and Audit Act we have the authority of the Auditor General to go into the affairs of the harbour commission and to make all investigations which he thinks fit to make. So that practically we have at our disposal all facilities for an audit of the affairs of all the harbour commissions. It is true there is nothing in the law to make it compulsory to have an audit every year, but it is within the power of the government to have a special audit of the affairs of the board whenever it thinks it proper to have it, and I can assure my hon. friend that if a request were made to the government by any member of the House interested that the audit board be directed to make an audit of any of our harbour commissions the government would be pleased to grant it.

The suggestion that the report of the Department of Marine and Fisheries should contain information relative to these harbour commissions which could be made the basis of discussion by a member of the House who desired to discuss the affairs of a particular harbour is worth considering. The harbours that we have all over the country are developing and the government is making large loans to harbour commissioners. I can see that there is a great deal in the request of my hon. friend and I am quite ready to consider it and to try to convince my colleagues—I do not think I will have very much trouble in that respect—that we ought to make a reference in the report of the department to the affairs of the harbour commissioners. I believe this request can be acceded to.

As far as the charges are concerned, certain criticisms have been made in regard to the increase in the rates last year. I may say that the harbour commission of Vancouver is not entirely responsible for the increase in the rates. The increase from one cent to one cent and a quarter was made by those operating private elevators. The request for an increase was made to the grain commission which agreed to it, the rate was increased in the private elevators, and this having been done, the harbour commissioners thought it only proper to have their rate placed at the same figure as that which had been agreed to by the grain commission.

With reference to supplying information to members of the House, I think the harbour commissions are issuing every year a very complete report covering all their operations during the previous year, and this report is available to all the members of the House. It is a public document issued by the harbour commission with a view to giving information and a certain amount of advertisement in regard to the harbour. I can assure my hon. friend that the department, and the government are absolutely serious in the effort to check as much as possible the expenditures of these harbour commissions. We shall do everything possible to protect the interests of the public in relation to the operation of these harbours.

Mr. COOTE: It was just a little difficult for me to follow the minister when he was speaking on the audit. I was not sure whether he said there was now a yearly auditors' report made to the government.

Mr. CARDIN: No, there is no yearly audit made by the audit board, but it is within the power of the government to have that audit made by the audit board. What I said was that there is an audit made by the auditors of the commission, and secondly, there is the departmental audit which is made by the officers of the Department of Marine and Fisheries. All the information we have is available to every member of the House, and there is the power which is given to the audit board by the legislation of 1925. This audit board can be directed by the treasury board to make a yearly audit, or to make one whenever they think proper to do it. We have that power at present, if we

think it good policy on the part of the government to ask the audit board to make an investigation or an audit every year. I said that if any request for an audit were made by any member interested in the affairs of these harbours, the government would be disposed to ask the audit board to make it. But my hon. friend will realize that to have an audit every year of all the harbour commissions in Canada would mean the establishment of a very costly staff, and probably with no practical result or advantage. It would mean large expense on the part of the government to keep the audit board working during the year, and it would take practically all the year to cover all the harbour commissioners we have at present, only to show what has been shown in most cases by the audit made by the auditors of the harbour, or to supplement the information that is already in the hands of the Department of Marine and Fisheries. I think it is better to continue as at present; leave the power in the hands of the government to have a special audit whenever they think proper to have it; because otherwise I am afraid the Minister of Finance, who is always very strong on economy, will be opposed to the appointment of a permanent audit board working all year and practically covering the audit which would have been made by the officers of the board and the officers of the department. I think we have all the safeguards required in the power now given to the government. If a request for an audit is made and not granted the government will be open to criticism especially if there is ground for believing there is something wrong with the administration of any of the harbours. I think the public is absolutely protected. Suppose we ask the audit board to make an audit every year, it will be an audit made after the expense has been incurred and it will be only in the form of a criticism passed upon the operations of the commission, although no doubt it would serve as a deterrent to prevent a recurrence of anything that might be called in question. But this audit will not help the administration in checking up the expenses of the harbour. This is done by the regular audit firm and by the officers of the department.

Mr. COOTE: I am anxious to know if there will be a detailed statement available to members of the House each year. I understood the minister to say there was an audit by the officers of the Marine department. That would be quite sufficient for our purpose, and of course if we were not satisfied we could ask for an audit by the audit board. But if the officers of his own department make any kind of an audit of the operations of these boards I would like the minister to assure us that that would be available to the public each year and to members of parliament. Then we would have the details before us to show how the operations of the commission are being carried on and whether any changes should be recommended. At present we have nothing, unless we ask for some report. We sometimes get the auditor's report. On the only occasion that I ever asked for an auditor's report—well, perhaps I should not say it, but I think the information was given to me with great reluctance by the officers of the department, and I naturally feel that we should place it beyond the power of the department to say that this report shall be furnished to you or it shall not. As parliament is granting the money under which the board is operating, surely we should have a detailed report of their operations. That is what I am asking for.

Mr. CARDIN: I see no objection to my hon. friend's request that the reports in the department should be made available to hon. members.

Mr. COOTE: The minister gave us the revenue from the elevators last year compared with the total receipts of the harbour. Could he give us the amount of grain handled by the government elevators and by the private elevators?

Mr. CARDIN: Yes.

Mr. COOTE: I should also like to have the net revenue from the operations of the elevators.

Mr. CARDIN: I am afraid that I am not in a position to give my hon. friend the information separately; I have only the totals. The total receipts from the elevators amounted to $638,705.33. Of course, in the statement given to me there are certain charges incident to the handling of grain. The total revenues, as I said, on the handling of grain amounted to $769,815.99. During 1926 elevator No. 1, with a capacity of 2,050,000 bushels, shipped 9,220,037 bushels; elevator No. 2, with a capacity of 1,625,000 bushels, shipped 6,037,028 bushels; Spillers' elevator with a capacity of 2,000,000 bushels, shipped 20,012,152 bushels; elevator No. 3 with a capacity of 650,000 bushels, shipped 7,936,027 bushels. So for the calendar year 1926 the total shipments amounted to 43,205,244 bushels.

Mr. COOTE: How would that compare with the two previous years' operations?

Mr. CARDIN: I have not the details for last year, but I think there is an increase.

Mr. COOTE: But there would be a decrease in the amount handled by the harbour commissioners' own elevators?

Mr. CARDIN: Yes, but there is an increase in the shipments from the other elevators. I may repeat that the business of the harbour commissioners for 1926 was rather good.

Mr. COOTE: I take it that only No. 1 and No. 2 elevators were operated by the commission last year?

Mr. CARDIN: Yes.

Mr. COOTE: Have agreements been entered into for the leasing of these two elevators?

Mr. CARDIN: My information is that the parties are practically agreed.

Mr. COOTE: Is either lease completed?

Mr. CARDIN: No, the leases have not been completed yet, but I am informed an understanding has been reached in regard to the terms.

Mr. COOTE: Does the government admit that it would be good policy to lease the elevators? I ask the question because I am advised that one of the privately owned elevators, Spillers handled last year twenty million bushels, while the commission's own elevators handled only about fifteen million bushels. Personally, I think the commission made a great mistake when in the first place they decided to lease what is called the old Woodward elevator. I think they should have pursued the policy laid down at Montreal of having all the elevators owned by the commission. As it is now, with certain elevators privately owned, these get all the grain when it is coming forward slowly, and the commission's elevators are used only when the privately owned elevators cannot take care of the business. The harbour commission made a mistake in leasing the Woodward elevator, and they made a further mistake in granting a lease for the property on which Spillers' elevator was erected at a rental so low that it does not cover the interest on the money invested in the property. I think this shows the necessity of having all matters of expenditure and policy—for instance, in granting leases—subject to the approval of the minister, so that he may justify the expenditure and the policy before parliament. The Vancouver harbour commission I think have been very unwise in their elevator policy. They constructed their elevators at too great a cost. It has been discussed in past years and I do not want to go into it again now, but that cost alone is a handicap. The granting of favourable terms to private companies to come in and operate elevators of their own was another mistake. But now there are two elevators, one privately owned and one under lease to the United Grain Growers, and I think it is a good policy on the part of the department to consider the leasing of one of the other two. I have no hesitation in saying that the government should give every possible consideration to the Alberta Wheat Producers' Association, which is seeking to lease an elevator in that city. Both major political parties have stated through their leaders that they are willing and anxious to grant assistance to the farmers in coöperative marketing. We have in Alberta the first coöperative effort among wheat producers on a large scale to market their own product. I regret that a year ago the government were not able to see their way clear to lease to the coöperative Wheat Prdoucers' Association one of the elevators at Vancouver. I wish to commend them for their action in leasing the elevator at Prince Rupert. I think that has been good business for the government, for Prince Rupert and for the producers' association, and I hope they will give the producers' association just as favourable consideration in connection with the leasing of an elevator at Vancouver, which I know the association are very anxious to secure. Seeing that the Alberta producers are not to get representation on the board, I think it is the next best way of assisting them in the handling of their own product and the marketing of wheat at Vancouver. Will the minister be good enough to give us information with regard to the purchase of the Hastings mill site? Who were the former owners, what amount was paid for the site, and what use has been made of it since it was purchased?

Mr. BENNETT: The problem of marketing the wheat products of Alberta through Vancouver is one which it was endeavoured to solve in the first instance by the creation of the harbour commission and the construction of a large number of elevators. There is nothing that so concerns a great many people as the facilities provided at Vancouver for the shipping of grain from Alberta. While many matters are of importance to a great many people in Canada there is nothing that concerns so many people as the facilities at Vancouver—that is, people in Alberta and part of Saskatchewan. And to the extent to which excessive charges are made at these

elevators for the service rendered, to that extent is there a direct injury to the farmers of those provinces. I say direct, because if they pay more than they should they suffer that much. The theory on which these facilities were provided is a simple one; the country guaranteed or practically put up its money to the harbour commission to enable it to provide facilities at cost—not at profit, but at cost. After providing for interest and proper allowance for depreciation and management, these facilities were to be available at cost to the people of the country, and just to the extent to which more than necessary was expended in the construction of facilities, to that extent the service rendered costs more than it should to those who use it. I think the minister is fully aware of the intense interest which the farming population of those provinces take in these facilities. I will not enter into a discussion regarding the cost of the elevators, because that is past. But I will say this with respect to the increase that took place in the rate a year ago, that the government as such should have pressed the grain commission not to make that increase. It is true that there was no increase in the charge by the government's facilities until after the grain commission had granted an increased rate to privately-owned enterprises. Thereafter the rate was increased. That meant an excessive charge on the farmers for the handling of grain. It is said that the charge was not greater than that imposed at Fort William, and that is true. Vancouver, however, is a port open all the year round and the very facilities that are provided there by the harbour commission were provided on the assumption that, the port being available every month of the year, the cost of operation and the incidental cost of rental and interest on investment would be less than at Fort William. That is true. But what happened? We have the government acquiring the Woodward elevator, so called. That was offered to many private interests who declined to accept it, and the Board of Grain Commissioners were induced after much effort to take it over. They leased it. I want to ask the minister now whether or not that $100,000 odd which we discussed the other day is to be paid out of this $4,000,000? The bill says that the money is to be available:

> —as may be required to enable the corporation to complete the construction of terminal facilities in the harbour of Vancouver, for which the plans, specifications and estimates have been approved by the governor in council before the passing of this act; and to construct such additional terminal facilities as may be likewise approved as necessary, further to properly equip the said port.

There is nothing in that language which contemplates the payment of money for any claim that might be made by a private enterprise against the harbour commission. The minister was good enough to say the other day that he would advise me as a result of inquiry just how the matter stood. I protest against the money being used in that way. I protest against any claim being paid until it is made good in a court of law, because the company that put forward the claim never had any legal existence. It had a capital of $1,000,000 and, according to the grain commission, $20,000 of that sum has been paid up, whereas the law requires that before the company may function 10 per cent of its capital shall have been paid up.

Mr. BLATCHFORD: The company was legally incorporated and capitalized at $250,000.

Mr. COOTE: How much was paid up?

Mr. BENNETT: The report says $20,000 was paid up.

Mr. BLATCHFORD: I know, my dear sir, but that was before the company thought of operating. The elevator was not running until two years after that.

Mr. BENNETT: The hon. gentleman is one of the directors.

Mr. BLATCHFORD: Yes, sir.

Mr. BENNETT: And therefore can speak with authority. In some tribunals he would not speak at all, but I am content that he should proceed.

Mr. LAVIGUEUR: The minister intimated some time ago that it was the policy of the department to do everything possible to develop our harbours, and in my opinion any money invested in this work in Canada is well spent. An enormous amount has been voted for the Vancouver board during the past three or four years. The sum of $10,000,000 has already been voted and this bill provides for another $4,000,000, making $14,000,000 in all. Large sums have also been voted for the port of Montreal and Toronto harbour. There was voted $5,000,000 for the port of Quebec to inaugurate a considerable scheme of development, and I may tell the minister that the Quebec harbour commission will soon come before this House for more money to continue operations. I hope that when our request is made it will be favourably considered.

Mr. BLATCHFORD: I want to make a few corrections in view of the fact that I am a member of the company. It seems to me that the hon. member for West Calgary (Mr. Bennett) should retract the statement he made regarding the financial position of the company. The report of the Turgeon grain inquiry commission gives the facts in connection with the incorporation of the company.

Mr. BENNETT: What page is the hon. gentleman referring to?

Mr. BLATCHFORD: Page 25. According to the report of the commission, under date February 2, 1924, the company was incorporated under Dominion charter with a capital of $250,000, with myself as president. As to capital stock, $40,000 was issued, $20,000 being actually paid up. I feel somewhat embarrassed addressing the Chair for the first time and, in so doing, defending myself and my associates in this matter. But I am not ashamed to make that defence. It was suggested the other day that these gentlemen were political friends of the party. Let me cite their names and tell the committee who they are so that hon. members may judge for themselves. The first member of the company I may mention is Mr. S. G. Tobin, for twenty-five years a business man and farmer in the district of Edmonton, Alberta. He was a member of the Alberta legislature.

Mr. BENNETT: And a member of this House last session.

Mr. BLATCHFORD: He was a member of the Alberta legislature for twelve years and two years after becoming a director of the corporation he was elected to this House. You cannot blame him for that, can you? Another director of the company is Colonel James K. Cornwall, known as the apostle of the north. He has blazed trails into the north country for thirty years, and has done more to open up northern Alberta than any ten men on the prairies. He was a Conservative member of the legislature ten years ago, and today operates a line of steam boats and trading posts in the far north, the arctic.

Mr. BENNETT: He was never a Conservative.

Mr. BLATCHFORD: Another member of the organization is Senator P. E. Lessard, one of the oldest and best known and most respected business men in the west, a member of the Alberta legislature for years; he was made a senator long after this company was incorporated. So far as I am concerned, I was elected to the House of Commons this year, and the company was incorporated three years ago.

Mr. KELLNER: Is Mr. Walker on the directorate?

Mr. BLATCHFORD: He is not, and I would ask the hon. member for Athabaska (Mr. Kellner) to withdraw that statement, because I see by Hansard that there was a mistake made in that connection when the hon. member was discussing the question.

The early history of the Woodward elevator is as follows: A man by the name of Mr. Woodward went to Vancouver and started to build an elevator. He failed financially and the elevator was considered a white elephant on Burrard inlet. The people of Vancouver insisted that the harbour commissioners complete the elevator and put it into operation to handle grain from Alberta, because they had handled 54,000,000 bushels of grain through elevator No. 1 that year and there was a blockade; the permit system was put into effect, embargoes were placed up and down the railway line, and grain could not be moved. We needed more elevators. They made overtures to different grain companies—including the Alberta Pacific, the company of which the hon. member for West Calgary (Mr. Bennett) is a director, and here is what the report says:

> Woodward and Company, Limited, were unable to finance to its completion the building of the elevator, and work was stopped with the completion of a working house but without the provision of any storage accommodation. Later the building was looked over by James Richardson and Sons, the United Grain Growers' Grain Company, Limited, and the Alberta Pacific Elevator Company, with a view to taking over Woodward's lease.

They turned down the proposition. Then overtures were made to other people on the prairies who might be able to handle this matter. I was asked to form a company and take it over, which I did. The commissioners were to have the plant completed for operation, grain to be handled by a lighter system in sixty days. We then bought a boat from the United States government and equipped it with the most modern machinery for transferring and handling grain, with oil burning engines and all modern equipment, at a cost of over $80,000 capable of handling 20,000 bushels per hour, with a capacity of 100,000 bushels, and that boat is still lying idle on the Pacific coast. Then I was notified two years later—after making thirty trips to Vancouver in attempts to have the plans agreed upon—that the building would be ready on June 29, and that I could take possession

on June 30. This I could not agree to; the shipping season was over and the plant was yet unfinished. That agreement originally provided that the plant would cost $660,000 with the storage capacity, the pier, and the belt conveyors to handle grain, and we were to pay a rental of 9 per cent. When the building was completed the cost was just $10,000 less than $1,000,000 which meant that our rent jumped from about $58,000 to about $90,000, and I refused to pay it. I told them I could not function under those conditions, so they gave me forty-eight hours in which to accept the proposition or they would cancel the agreement, which they did. Immediately they closed with the United Grain Growers', for $45,000 per year, the same people who had turned it down in the first place, and who had made overtures to me before the lease was cancelled. We were left with all the cost of incorporating the company, of defending our case before the royal grain commission, of equipping the lighter and many other incidentals, but when we asked for our money back there was strong objection. Not a nickel of the settlement money will be left after the bills are paid. We took the matter to our legal advisers, who advised us to enter suit and accordingly we sued for $250,000. The harbour commissioners consulted their solicitors, who advised them to settle; they went to an independent solicitor, Mr. Davis, who also advised them to settle; they brought the matter before the Minister of Justice, and he advised them to settle also. I want to make it clear that I have never lobbied nor have I ever spoken to a single member of this government or of this House in connection with this bill. I met the Minister of Marine and Fisheries once when I went to see his deputy; I asked him if he intended to pay or if they wanted to fight, and the Minister said he would refer it to the Minister of Justice and let me know, and this is the first I have heard of it.

Mr. CLARK: Will the hon. member say whether he has the opinion of Mr. Davis under his hand?

Mr. BLATCHFORD: No, I have not his opinion. It was asked for by the harbour board.

Mr. CLARK: Can my friend state which Mr. Davis it was, what his initials are?

Mr. BLATCHFORD: E. P. Davis.

Mr. CLARK: And he advised a settlement?

Mr. BLATCHFORD: Yes.

Mr. CLARK: Does the hon. member know whether that settlement will be paid out of the vote now before the House?

Mr. BENNETT: That is the point.

Mr. BLATCHFORD: I cannot answer that. We have a claim against the harbour board which we intend to take to court unless a settlement is made.

Mr. CLARK: I understand that the hon. member is presenting to the House reasons why the claim of his company should be settled?

Mr. BLATCHFORD: No, I am not. I am stating how the trouble came about, and I am answering the hon. member for West Calgary (Mr. Bennett) who was mistaken in his statements.

Mr. CLARK: I am afraid I misunderstood; I thought the hon. member was giving the facts to this House to justify us in voting for the second reading of this bill and for the payment of that claim.

Mr. BLATCHFORD: No, I am not asking you to vote for it; use your own judgment. I am simply laying the cards on the table.

Mr. CLARK: But the hon. member has stated that he is the president of this company, and that if a settlement is made his company will be reimbursed. Is that correct?

Mr. BLATCHFORD: Naturally we expect to be paid for our trouble and for the money we spent.

Mr. CLARK: And he as a shareholder in this company, will receive a portion of the proceeds.

Mr. VENIOT: Is a cross-examination of this kind quite proper, Mr. Chairman?

Mr. CLARK: I think it is very vital, because I think this is violating all the rules of procedure. I think it is quite clear that the hon. member is deeply interested in that settlement and in the receipt of money coming from a vote of parliament.

Mr. BLATCHFORD: I am simply explaining the case to the hon. member for West Calgary.

Mr. BENNETT: He knows more about it than you do, apparently.

Mr. ROSS (Moose Jaw): He does about everything.

Mr. BENNETT: No; the hon. member for Moose Jaw (Mr. Ross) has mistaken himself for myself. I do not arrogate to myself the knowledge of everything, as he

does; I know something about a few things, which is different. The hon. gentleman who has just resumed his seat is quite right in drawing attention to the fact that I spoke of the capital as being $1,000,000. That is wrong; the alleged expenditure was what I meant. The capital was $250,000, of which $20,000 was paid up. Under the Companies Act it is required that 10 per cent, or in this case $25,000, be paid up before the company may exist, so this company had no right to function.

Mr. BLATCHFORD: The company never functioned; we never operated under the lease. The company was incorporated and it is still incorporated and still in good legal standing.

Mr. BENNETT: That is very delightful. The company never functioned; it had no legal existence since $20,000 was paid up while the law requires $25,000. Therefore it cannot maintain an action in a court of law.

Mr. BLATCHFORD: We never handled one dollar's worth of grain, because we never took over the plant.

Mr. BENNETT: Nearly everyone except my hon. friend understands the facts. There never was a legal company.

Mr. BLATCHFORD: Certainly there was.

Mr. BENNETT: The royal commission found that only $20,000 of the capital stock had been paid up, while the law requires that $25,000, in this case, be paid. Therefore there was no legal entity entitled to function and to enter into a lease, so any lease thereby secured would be void. The company never was a company; it never existed as such; it had no identity as such and could not maintain an action in a court of law. Therefore this claim against the harbour commissioners is quite in accord with the opinion generally held by the public. That is, a few gentlemen favourable to the administration of the day have been able to make the arrangement in question. The hon. gentleman has made perfectly clear that the company never had a legal existence. It does not exist in law, only $20,000 being paid up whereas the Companies Act says that 10 per cent must be paid up before a company can function as such. Therefore there has never been a company. It can maintain no action, no claim; and any money paid by the harbour commission to a company that has no existence should be recovered by those who paid it. That is the story.

Mr. BLATCHFORD: The hon. gentleman is not correct. There was $40,000 subscribed and the cheque was in the treasury. Only $20,000 was being used for the simple reason that everything was tied up and the company was unable to operate in view of the fact that the elevator was not completed.

Mr. BENNETT: The royal commission reported that $20,000 was paid up.

Mr. BLATCHFORD: I have the particulars right here.

Mr. BENNETT: Twenty thousand dollars paid up was what the commission reported. They discovered that a company with a nominal capital of $250,000 was endeavouring, with a paid up capital of $20,000, to lease a property which under the law it could not do as it did not exist. There could be no such company as the Pacific & Oriental Company until such time as at least $25,000 had been paid up. I do not care anything about the $40,000 cheque.

Mr. BLATCHFORD: I am basing my statement on the evidence given before the royal grain commission. I probably should have said there was $40,000 paid up.

Mr. BENNETT: The commission said $20,000.

Mr. BLATCHFORD: The money was in the treasury. We only had certain expenditures to meet and we were functioning accordingly.

Mr. CHAPLIN: You said you never functioned a minute ago.

Mr. BENNETT: The commission found that $20,000 was paid up. Does the hon. gentleman from Moose Jaw understand that? Twenty thousand only was paid up according to the finding of the commission.

Mr. ROSS (Moose Jaw): I did not say anything about it. The hon. gentleman asserted that I knew everything about the matter. I do not. I do not know anything about this, and I am not getting into the argument at all.

Mr. BENNETT: Ah! It is so delightful; the hon. gentleman has a modesty that is really bewildering. The commission found that $20,000 was paid up. The hon. member for East Edmonton (Mr. Blatchford) now declares he should have said that $40,000 was the amount. Which statement are you to take? What he says here, or what the commission found after examining him under oath? He gave evidence, he was examined under oath; and this little coterie that tried to get this lease now say they want $100,000 although the company never functioned. They said

they had $20,000 in the bank but they never took a lease, never functioned the hon. gentleman says now, and now they want this government to pay them $100,000. That is the story.

Mr. BLATCHFORD: I took my cue to enter the grain handling business from Mr. Bennett's successful operations in the same line—the Alberta Pacific—

Mr. BENNETT: Mr. Bennett is not the owner of a single share in the Alberta Pacific Grain Company.

Mr. BLATCHFORD: —when that company was formed.

Mr. BENNETT: Excuse me. Mr. Bennett has not a single dollar of investment in the Alberta Pacific Grain Company. Mr. Bennett sold out.

Mr. BLATCHFORD: Quite recently for $15,000,000.

Mr. PERRAS: Which Mr. Bennett?

Mr. BENNETT: Mr. R. B. Bennett. Mr. Bennett sold his interest long ago. Mr. Bennett realized that unless the government was going to bonus him he could hardly expect to succeed longer in that industry, in view of the formation of the pool.

Mr. BLATCHFORD: The Alberta Pacific Grain Company was formed through a trust company known as the Alliance Company, and I find according to the record, from the high cost of living investigation of 1919, they had $24,500 in cash.

Mr. BENNETT: That is wrong. They had a million in cash. That is on record. Just read the record.

Mr. BLATCHFORD: Later on they started to do business. Mr. Bennett put in $300,000 of English money, and let me show you the profits they made.

The CHAIRMAN: I really cannot allow this discussion to proceed.

Mr. BLATCHFORD: The hon. member for West Calgary has made the charge that the company to which he refers was not functioning, that the capital was not sufficiently paid up.

Mr. BENNETT: That is true.

Mr. BLATCHFORD: In the case of the Alberta Pacific Company the record shows that only $24,500 was paid up, and that they made millions during the war while Canada was fighting for her life.

Mr. BENNETT: But your company never functioned.

The CHAIRMAN: This discussion, which has gone on for some considerable time, is irrelevant to the particular matter before the committee, and I must ask hon. gentlemen to confine themselves more strictly to the question under consideration.

Mr. CLARK: I should like to ask the minister whether or not the claim of the company of which my hon. friend for East Edmonton is president will be paid out of this vote?

Mr. CARDIN: I stated, when we discussed the resolution upon which the bill is based, that this amount was provided for in the $4,000,000. The observation was made that it might have been taken out of the revenue of the harbour commission instead of making it a capital payment. I quite admit that the payment might have been made through the revenue account but, as I said, if this course had been followed parliament would not have been given the opportunity of passing judgment upon it, and we would have been deprived of the views which have been expressed by hon. gentlemen opposite. The fact that we come here and mention this very amount shows that we are quite ready to place all the facts before the House. We were not afraid of throwing complete light upon this transaction, and the position in which the harbour commission finds itself. It is all very well for the hon. member for West Calgary to say that there is no company. I would hesitate to pass judgment as to the effect of the federal law in the case of companies, but according to the laws of my own province, the fact that the whole capital amount has not been subscribed, or that the required percentage of capital has not been paid, does not mean that the company is not legally organized; the directors become personally responsible for the indebtedness of the company. I believe the situation is the same under the federal Companies Act. Under that law the company is obliged to have a certain amount of capital paid up before it starts to do business. If that is not done the directors become responsible personally, but the company exists just the same. I submit that this company was capable of entering into a lease with the Vancouver harbour commission. In cases of losses the creditors of the company would have had their recourse against the directors personally because they started to do business before a certain percentage of capital stock had been paid up.

Mr. GUTHRIE: Would the minister inform me—I do not know very much about the case—if litigation actually took place? Was an action entered in the court to recover the amount?

Mr. CARDIN: I will be very frank in saying that I have no personal information that an action had been entered in the courts. The hon. member from East Edmonton said that action had been taken for $250,000, and it was following those proceedings that the harbour commissioners consulted their counsel. They received from counsel the opinion that it would be advisable for the commission to try and make a settlement of the claim.

Mr. CLARK: I do not wish to interrupt in any way but I wonder if the minister could read the opinion given by Mr. E. P. Davis.

Mr. CARDIN : It is a very long document, but the substance of it is what I have stated. Counsel advised settlement. The first advice was given by the firm of Farris, Farris, Stultz and Sloan, and after having the advice of these counsel the harbour commissioners went to the office of a private counsel, Mr. E. P. Davis.

Mr. CLARK: That is the one I want. I should like to have the gist of his advice.

Mr. CARDIN: Mr. E. P. Davis advised that it would be proper to make a settlement of that case. He did not say that the harbour commission had no case; but he expressed some doubt as to the position of the commission, and in view of that he advised that a settlement should be made.

Mr. CLARK: May I have an opportunity of perusing that opinion?

Mr. CARDIN: I will hand it to my hon. friend.

Mr. GUTHRIE: I understood from the discussion that in some way or another the Justice department had been consulted?

Mr. CARDIN: Yes.

Mr. GUTHRIE: Have they given an opinion on that matter and, if so, what is it?

Mr. CARDIN: They have given an opinion along the same lines. They advise a settlement.

Mr. GUTHRIE: Was any amount mentioned?

Mr. CARDIN: The Department of Justice say that they are not in a position to fix an amount. They give advice only on the question of a settlement.

Mr. GUTHRIE: Would it not clear up the matter if the action were allowed to proceed and we had the judgment of the court before going any further in the matter? There seems to be some serious contention about liability in this case, and it would satisfy the committee if the minister gave some assurance that this amount would not be paid out of this $4,000,000 which it is now proposed to appropriate for the Vancouver harbour commission, but that the action taken at law would be allowed to proceed. Then if the company is entitled to an award by way of damages or otherwise, by all means let the harbour commission pay it, but a provision should be made that no money shall be paid out until judgment has been obtained. The hon. member for West Calgary (Mr. Bennett) takes very strong legal grounds. I do not know enough of the facts in regard to the matter to pronounce upon it, but there is evidently a serious contention.

I am not in favour of settlement of actions out of court in cases in which the government is directly or indirectly involved. It is a great safeguard to the government to have a judgment of a court before it pays out the money of the people of Canada or allows a harbour board to do so. We may by a settlement get off a little cheaper; but the propriety of these settlements is always questioned, and it is charged that political influence has brought about such settlements. I could tell a story of some settlements that have been made during the last five years of claims that have been pending for ten or fifteen years in the Justice department. After I think every court had been tried in the matter and no judgment obtained, finally in order that the matter might be got rid of, a very large amount of money was paid. These settlements are always open to a good deal of criticism, and it is far more satisfactory for the government, the harbour commissioners and the members of this House that we have a judgment on which we may rely. If my hon. friend's company has a valid claim in law, by all means let it be paid; but I would suggest to the minister the propriety of inserting in the bill some provision, or giving to this House some assurance, that no settlement will be made until we get a judgment and that this money will not be used for the purpose of settling this claim.

The minister said, in regard to the question of the hon. member for Macleod respecting an audit, that there was a departmental audit which would be available to hon. members. There is also an audit made at the instance of the Board of Harbour Commissioners

themselves, and the auditors in that case are the firm of Wilson and Wilson. I think the minister said that their audit would be available to hon. members who desired to examine it. In what way will it be made available? Can any hon. member merely make a request to see the audit of Messrs. Wilson and Wilson, because some are anxious to see it? If the minister will explain how that report may be obtained, the committee will be satisfied.

Mr. CARDIN: It may be obtained upon the request of an hon. member interested in the operations of the board.

Mr. GUTHRIE: Shall we make the request through the minister?

Mr. CARDIN: Yes.

Mr. GUTHRIE: And he will see that we get the report?

Mr. CARDIN: Yes. As regards the other point, if we can proceed with the bill, I have no objection in saying that, in view of the discussion which has been held here, I will take the necessary steps to see that this amount of $112,000 is not paid out of the $4,000,000.

Mr. GUTHRIE: Nor out of any other moneys until we receive the judgment of the court.

Mr. CARDIN: Yes, but I would not like to make an amendment to the bill to that effect. There is much in the argument of the hon. member for West Calgary that under the section the amount cannot be taken out of the $4,000,000.

Mr. GUTHRIE: As long as we have a clear understanding that the harbour commissioners are not authorized in any way to settle this claim until a judgment of the court be had in regard to it, that will clear the matter up.

Mr. CARDIN: I have no objection.

Mr. GUTHRIE: That will be more satisfacory to the hon. member for East Edmonton (Mr. Blatchford) and his company, the department and the Board of Harbour Commissioners themselves. If we have that understanding clearly and distinctly, I do not see that we need take up the time of the House any longer in discussing the matter.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. COOTE: I asked the minister before recess to give the committee some particulars in regard to the purchase of the Hastings mill site. I would be glad if he would give us that information and also terms of the present lease of the property.

Mr. CARDIN: The Hastings mill site was the property of the British Columbia Mills Timber & Trading Company. The harbour commission had bought these properties for the sum of $2,450,000. A cash payment of $500,000 has been made, and the balance is covered by an issue of debentures by the harbour commission, bearing interest at the rate of five per cent per annum for five years. Only a portion of that property was urgently required for developing the trackage facilities in the vicinity of the Ballantyne pier. When the pier was built the erection of an elevator was not contemplated. Owing to the construction of the elevator the trackage facilities of the pier were interfered with. It was considered necessary to extend the trackage facilities and it was proposed to expropriate part of the Hastings mill property for that purpose. But, instead of expropriating a part of that property, it was considered advisable to buy the whole property and the harbour commission have taken for their own use the part of the property that was to be expropriated. The remaining portion has been leased to the British Columbia Mills Timber & Trading Company for a period of five years. The rental paid by this company for the balance of this property is sufficient to take care of the interest on the bonds issued by the harbour commission. Disbursements have been made to the extent of $500,000 and the balance is covered by an issue of debentures which are being taken care of by the rent received from that company. It is well known to everyone familiar with the conditions that this property, by reason of its central location, is one of the most valuable in the harbour. It will be required in the very near future, and the companies which are somewhat interested in the development of the harbour at Vancouver, the Canadian Pacific and the Canadian National railways both suggested to the harbour commission that they should acquire that property. The amount has been fixed by arbitration.

Mr. COOTE: Will the minister tell us just what work is proposed to be done on that property?

Mr. CARDIN: The commission has proposed to make developments there in the way of the construction of a coastwise pier and warehouse and quay wall. They propose to spend $385,000 in building the coastwise pier and warehouse there.

Mr. COOTE: Practically $2,000,000 of debentures are outstanding against this property?

Mr. CARDIN: Yes.

Mr. COOTE: That will be in addition to the bonds which the Dominion government hold for the harbour commission?

Mr. CARDIN: Yes, exactly. With reference to the elevators, it is proposed to lease No. 1 elevator to what is called the Stewart interests for twenty years at a rental of $165,000, and in addition one-tenth of a cent a bushel in excess of ten million bushels handled for the first five years, subject to a revision of rental every five years. Elevator No. 2 is to be leased for one year at a rental of $100,000 a year with an option of a further lease for four years at a price of $120,000. I was informed this morning that the parties interested have agreed on that. The lease of No. 3 elevator is to be renewed by the Grain Growers. The harbour commissioners are going to spend a substantial amount of money to increase the capacity of this elevator to about one million bushels. They will have to acquire certain property and undertake additional construction. The Grain Growers are going to pay five per cent on the price of the properties to be acquired. All the land will not be required and part of it is going to be used for some other purpose. I understand that some firm is going to erect a building there which will cost $75,000. There is no provision for sinking fund or depreciation, because there is not supposed to be any depreciation of the land. The Grain Growers are going to pay 7.60 per cent on the cost of the new construction. These are the terms which have been practically agreed to by the parties concerned. The harbour commission is ready to sign the lease on these conditions.

Mr. GARDINER: Does that 7.60 per cent include the old building as well?

Mr. CARDIN: Yes.

Mr. GARDINER: How will that provide for the sinking fund? I suppose the interest will be five per cent?

Mr. CARDIN: Yes; 2.60 is to provide for the sinking fund.

Mr. GARDINER: Is that sufficient?

Mr. CARDIN: It is sufficient to meet the whole obligation in twenty years.

Mr. GARDINER: The minister stated that the rental for elevator No. 1 would be $165,000. What is the total capital investment in the elevator, and what rate of interest thereon does the rental represent?

Mr. CARDIN: The calculation is made on the same basis for all the elevators.

Mr. GARDINER: Then in addition to that you get one-tenth of a cent per bushel for handling charges?

Mr. CARDIN: On anything over ten million bushels.

Mr. GARDINER: You do not get paid that percentage on every bushel?

Mr. CARDIN: No, only over ten million bushels.

Mr. COOTE: What development is to be undertaken with the $500,000 on the waterfront of North Vancouver?

Mr. CARDIN: The statement given to me is that this amount is for further development at North Vancouver. The commissioners have expended a large sum of money in extending the terminal railway along the north shore and filling in certain waterfront property. In order to provide revenue for the railway and property it will be necessary that certain dockage facilities be provided, and it is estimated that $500,000 will be sufficient for the purpose.

Mr. COOTE: Are there any facilities on the north shore at the present time?

Mr. CARDIN: Yes, but they are not adequate.

Mr. COOTE: There are items of $1,308,000 and $200,000. I suppose these represent the total amount for development on the north shore?

Mr. CARDIN: Yes.

Mr. GARDINER: An elevator was built on the Ballantyne pier. What elevator is that?

Mr. CARDIN: No. 1.

Mr. STEVENS: No. No. 1 is the original elevator at what is now called the Lapointe pier. No. 2 is the new elevator constructed on the Ballantyne pier.

Mr. STEWART (Edmonton): No. 1. is the old government elevator?

Mr. STEVENS: Yes.

Section agreed to.

On section 3—Interest during construction to be charged to capital account.

Mr. CLARK: Mr. Chairman, this morning I asked the minister if he would be good enough to lay on the table the opinion of Mr. E. P. Davis, or at least let me have an opportunity of perusing it. I have sent the page across the floor to the minister, but I have not yet secured the opinion.

Section agreed to.

On section 4—Plans, etc. to be approved before work commenced.

Mr COOTE: This morning we discussed the $112,000 to be paid to the company that had a lease of the old Woodward property. I understood the minister to say that he agreed to the proposal of the member for West Calgary (Mr. Bennett) that this money should not be paid until the case was decided in the courts. Did I understand him correctly?

Mr. CARDIN: That is correct.

Section agreed to.

Sections 5 to 8 inclusive agreed to.

Bill reported, read the third time and passed.

EXCISE ACT AMENDMENT

NON-CONCURRENCE IN SENATE AMENDMENTS

Hon. W. D. EULER (Minister of Customs and Excise) moved:

That a message be sent to the Senate to acquaint their honours that this House disagrees to their amendments to section 12 of Bill No. 119 to amend the Excise Act, for the following reasons:

That the said amendments make conviction of the bootlegger or the seizure of illicitly manufactured spirits very difficult and practically impossible.

And that the Clerk do carry the said message to the Senate.

Motion agreed to.

FEDERAL DISTRICT COMMISSION

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee to consider the following proposed resolution:

Resolved,—That it is expedient to bring in a measure,—

1. To provide for a Federal District Commission and to repeal the acts respecting the Ottawa Improvement Commission;

2. To authorize the payment to the commission of the sum of $250,000 a year for a period not exceeding sixteen years from the first day of April, 1927, and to make provision for borrowing powers, the issue of debentures and the repayment thereof.

32649—125½

Mr. GARDINER: Explain.

Mr. MACKENZIE KING: My purpose at the moment is simply to have the bill introduced so that hon. members may read its provisions before time is taken up with detailed discussion. The purpose of the bill to be founded on the resolution is to extend somewhat the powers of the present Ottawa Improvement Commission by enlarging the area over which it will be authorized to carry on its work, increasing the amount of money at its disposal, and changing its name to conform more accurately with the intent and purpose of the commission. The Ottawa Improvement Commission was established in the year 1899 in order to undertake the beautification of the capital of Canada. From time to time its membership has been increased, as has been also the sum placed at its disposal. This increase has been made for the reason that with the development of the work of the commission there goes inevitably an extra obligation of maintenance, and I am advised that at the present time the amount voted by parliament to the commission is used very largely for the maintenance of the parks and driveways which have already been constructed.

The country is fortunate in having at the moment at the head of the commission an exceptionally able business executive in the person of Mr. Thomas Ahearn, and the commission have been laying their plans for the further improvement of the capital. They believe they can make better headway with their work if an opportunity is given them to plan operations over a number of years, and for that reason the bill proposes to confer upon the commission that additional power. The amount at present at the disposal of the commission is $150,000 per annum. It is proposed in this bill to increase that sum by $100,000. It is not so much the city of Ottawa as it is the capital of Canada that is being considered. It is a national obligation to make the capital of our Dominion as attractive as possible, and, as hon. members know, for years past the government has felt in that regard, a special responsibility. The use of the term "Ottawa" as applied to the commission is somewhat misleading inasmuch as the environs, the immediate surroundings, are quite as important, from the standpoint of beautification of the capital, as is the city proper. Indeed, it is with the outlying parts of the city including the opposite side of the river that much of the work of improvement will be carried on.

I might add this further feature, as pointed out to me by the chairman of the commission.

The capital has grown materially since some of the existing improvements were effected, and many of the driveways are to-day much too small in view of the increased motor traffic. As a matter of fact they are too small to be safe, and they will have to be considerably enlarged. This work cannot be undertaken by the commission until some additional appropriation is made for the purpose. The other features deserving of consideration will, I think, be apparent once the bill is introduced.

Mr. EDWARDS (Frontenac): How much, roughly speaking, has been expended by the government of Canada in the past in this connection? How much have we contributed toward the beautification of Ottawa?

Mr. MACKENZIE KING: I have not the details with me but I will endeavour to have a statement prepared and will give my hon. friend the figures when the bill is being discussed.

Hon. HUGH GUTHRIE (Leader of the Opposition): For myself, I am heartily in accord with the proposal contained in the resolution. I have watched the development that has taken place in the city of Ottawa for over a quarter of a century, and my great regret is that the improvement has gone on so slowly. I had the privilege some days ago, of discussing this matter for a few minutes with the chairman of the Ottawa Improvement Commission, and I told him that in my view his request was entirely inadequate for the purpose. I believe the sum now suggested is too small. We should start on a larger scale extended over a longer term of years, and should let it be definitely understood that a certain substantial sum annually shall be set aside to make the capital of the country what it should be and what nature intended it to be. I doubt whether there is a capital in the world so splendidly endowed by nature as is the capital of Canada; and by capital I do not mean the immediate surroundings, but the adjacent country as well. I believe we shall be doing something of which we ourselves shall be proud, and which people of the country will approve, if we adopt even a more extended scale than that submitted by the government. If $150,000 is required for the annual upkeep, the extra $100,000 will not do a great deal in the sixteen years which is fixed in the resolution as the time limit. I hope to live to see this capital something like the capital visualized by Sir Wilfrid Laurier over twenty-seven years ago when he said that he would like to see Ottawa made the Washington of the North. Washington entered upon a scheme involving a twenty-five year program with a financial obligation amounting to about $20,000,000 per annum. We of course will not attempt anything like that, but it seems to me that now we are dealing with the matter we might extend the proposal somewhat.

Sir GEORGE PERLEY (Argenteuil): As I live in the city of Ottawa and always have done so, although I represent a constituency in Quebec, I want to say a few words just to show that I am in accord with the suggestion put forward by the Prime Minister (Mr. Mackenzie King) and with the appropriate words which have come from the leader of the opposition (Mr. Guthrie). All of us are, I think, agreed that the natural surroundings of Ottawa are as beautiful as those of any city in the world. I have travelled a good deal and I have yet to see a more beautiful city.

Mr. BLACK (Halifax): What about Halifax?

Sir GEORGE PERLEY: Halifax too is beautiful, but I would not put it above Ottawa. And that is high praise indeed. In my opinion, with one exception, Ottawa is as fine a place to live in as any I know of in the world. I will not enter into all the details now, but there is one regard in which this city can be improved, apart from any question of beautification. We have drinking water secured from the Ottawa river and made potable by artificial means, but it seems to me that with so many lakes close by we surely ought to have in this city a natural supply of water obtained from the beautiful lakes north in the Gatineau country. Most of the people in Ottawa who can afford to do so buy Tally-Ho or other waters instead of drinking the Ottawa water, and that is hardly fair to the poor, who should have a constant supply of pure water. I know of nothing more conducive to the health of the citizens than an abundant supply of absolutely pure water. I do not desire to criticize this resolution or to suggest any changes, but I do say to the Prime Minister that in the very influential position which he occupies and from the fact that he is now bringing in a resolution to provide more money to be used by this commission in doing this service to the city and to the government, he might impress upon the authorities of the city of Ottawa that as the government is assisting in this way and is prepared to go perhaps further in years to come, it is the duty of the city to see that a proper water supply is secured from the northern hills.

Hon. J. W. EDWARDS (Frontenac-Addington): The unanimity of opinion expressed so far from both sides of the House makes me somewhat doubtful as to the wisdom of accepting this proposition without some criticism, because it is always an unhealthy sign to me when I see both sides of the House in such complete agreement as they appear to be with regard to this resolution. The city of Ottawa is the capital city of Canada, and I agree with all that has been said with regard to its beautiful situation, its natural attractions and so on. But, though I may be the only one in the House who takes this position, I am not altogether prepared to give my assent to the spending of millions of dollars in beautifying this city of Ottawa while there are public works in various parts of the country which are absolutely neglected, and to which no consideration whatever is given. If in connection with the proposition to make this city the Washington of the North in a country of 9,000,000 people as compared with a country of 120,000,000 people it is proposed to carry out those ideas by tearing down such a building as the post office, for instance, which I think is a part of the plan, while people in my constituency must receive their mail in a place not much better than a box car or a packing case, and while I can get no consideration from the government in that regard, then I say that for one I am not prepared to give my whole-hearted support to a proposition of this kind even though it meets with the approval of most of the members on both sides of this House.

We are placed alongside the United States, which is a very large country with a great population and great wealth; we are a small country so far as population is concerned, and I do not think we should forget the fact that we have passed through a war which has left a heavy burden of debt on this Dominion. I know that when members of this House apply, as they have the right to apply in the interests of those parts of the country which they represent, for much needed public works, they are met each time with the figures of the national debt we are carrying and the responsibilities which we have to meet in that connection. But when it comes to providing wider streets for the larger population of Ottawa, to improving the water supply or doing things of that nature to the interest and benefit of those who live in Ottawa, I say it is up to the members of this House to take into consideration other parts of the country which are being forced to wait for matters which are more justly entitled to consideration than the tearing down of splendid buildings here in Ottawa, which are now serving their purposes and would continue to serve their purposes admirably for many years to come.

Before this bill goes through I will have an opportunity of discussing it, in common with other members, more fully. I do not wish to be understood as opposing a reasonable expenditure in connection with the beautifying of this city; we have certain responsibilities in that regard, but I do say that we should not feel it incumbent upon us to keep in mind these particular responsibilities and utterly ignore those other matters which have been long waiting for consideration.

Mr. W. F. GARLAND (Carleton): Mr. Speaker, I have been waiting for the two Ottawa members to speak on this resolution; they have not done so, but since some 15,000 people in the west end of the city are included in my riding, perhaps I might be permitted to say a few words.

In the first place I must disagree with the hon. member for Frontenac-Addington (Mr. Edwards). We must not forget that while this amount of money is spent in beautifying this city, in return the city gives free fire protection, exemption from taxes and so on. I quite believe that to-day the city would be further ahead if it collected these taxes from the government, as it would from any private individual, and paid for its own improvements. I desire to support this resolution to the utmost of my ability, and I agree with the leader of the opposition when he says that the amount should not be $250,000 but $500,000. To increase the amount by only $100,000 is a mere bagatelle. The driveways in the west end and the bridges which will be constructed to the province of Quebec will take up a great deal of that money, and very little will be left for other things during the next few years. The amount is not nearly what it should be, and I would be very glad if the Prime Minister could see his way clear to double it.

Mr. T. E. KAISER (Ontario): I would like to ask whether before this bill passes we will have a comprehensive idea as to the way in which this money is to be spent. Have the commissioners any plan in mind, or are we just voting the money to the commission to be expended as they may see fit in the beautification of this city? I am rather inclined to agree in many respects with the hon. member for Frontenac-Addington (Mr. Edwards). We do not begrudge the city of Ottawa anything; we would like to see Ottawa made a worthy capital of this Dominion, but

there is a limit to the distance we may go and to the amount of money we may vote without knowing how it is going to be expended. I happen to know that the matter of a pure water supply would be very expensive, but is no doubt very justifiable, and some of this money might well be expended in purifying the air of this city as well. One has only to walk down the streets of this city to come to the conclusion that the first thing we should get away from is the smell of brimstone which is always in the air.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Mr. COOTE: Might I ask the Prime Minister why it is proposed to give the commission power to issue bonds? I do not suppose that they will be constructing anything which will bring in revenue, so it would seem to me that the money should be provided directly by parliament each year.

Mr. MACKENZIE KING: There are certain works of construction to be carried on, the commission can plan ahead for a few years, if they have power to issue debentures. The bill provides that any obligations arising out of the issue of securities become a first charge on the moneys appropriated. This simply enables the commission to plan ahead with a greater degree of certainty than if they were dependent upon annual appropriations. The total appropriation by parliament will not as a consequence be increased.

Mr. COOTE: If the bill simply provides for an annual grant of so much to the commission—

Mr. MACKENZIE KING: That is all.

Mr. COOTE: —I was wondering why this procedure was adopted.

Mr. MACKENZIE KING: It simply allows the commission to use a part of the grant as the years go by toward meeting payments due on securities they may issue. They will not issue securities unless they gain some substantial advantage by so doing.

Mr. KENNEDY: I understood the Prime Minister to say that it was the intention to enlarge the area over which the commission would have control. How large an area is the commission to be given control of under this proposal?

An hon. MEMBER: Peace River.

Mr. MACKENZIE KING: I do not think the commission will attempt to deal with Peace River. The purpose is not to confine the work of the commission to the city of Ottawa but to include the suburbs of the city and the city of Hull across the way. Before the commission can extend the area, they will have to submit their proposals to the governor in council and those proposals will have to be approved. I assume that the commission has no thought of going beyond the immediate suburbs of the city. I have seen some mention in the press that this bill would include provision for a national park. That is an idea entirely separate; it has nothing to do with the present measure at all. I want to make that clear. I should like to say, however, that I do think a national park in the vicinity of Ottawa is something that is very much in the public interest, and that provision should be made for it at once, but that has nothing to do with this particular measure.

Mr. COOTE: I do not want to oppose this resolution in any way. I should like to say, however, that every time I walk down from the parliament buildings I cannot help but feel that Canada has not been very well served by her politicians in years past so far as beautifying the national capital is concerned. There is not a street in Ottawa from which the main entrance to the parliament buildings can be seen until you reach Wellington street.

Mr. MACKENZIE KING: Hear, hear.

Mr. COOTE: It seems to me that our legislators and our governments for the past twenty years have been very remiss in their duties in that they did not, before Sparks street was built up with such expensive buildings, expropriate the property for about three blocks between Wellington street and Sparks street, and open a wide thoroughfare immediately opposite the main entrance to the parliament buildings. The rest of that property could have been used for government buildings in which to house the different public departments—buildings of a character which would beautify the capital and would be in harmony with the architectural design of the parliament buildings themselves. I do not know whether it is too late to do anything of that nature. I suppose those who come twenty years after will say that we might have done it. Possibly the state of the public finances to-day would not permit the necessary expenditure, but I think it is something that the commission might very well consider. The commission have done a lot to beautify the city of Ottawa, but I sometimes think they have not taken advantage of the improvements they have made in the

capital. They have constructed miles of beautiful driveways, but they have never secured control of the property along those driveways. Once a driveway is completed the property adjacent to it becomes very valuable residential property, and the value which is created by the construction of the driveway has gone to benefit private individuals. Most of the people who bought that property and constructed homes are benefiting from the unearned increment accruing from the increase in the value of the land. I think if the improvement commission are going to construct other driveways they should secure control of the property along those driveways. If that is done they will secure some revenue from the increase in the value of the property. I do not want to indulge in any destructive remarks with respect to this proposal. I would prefer to make suggestions of a constructive nature. I hope the commission, with the approval of the government, will go so far at least as to secure control of the property along any new driveway they may construct, and thus secure some revenue from these improvements.

Mr. PETTIT: I would ask if a comprehensive scheme has been adopted by the commission looking to the future, when this city will have a population of 500,000 or more? Failure to do that on the part of large cities to-day, both in Canada and the United States, has resulted in the loss of hundreds of thousands of dollars, yes millions, to the municipalities concerned. No doubt the eminent business men on the commission have looked into this matter, but it is just as well to point out the situation to them, and sound a note of warning as to what is likely to happen if a comprehensive scheme is not adopted.

Mr. MACKENZIE KING: The commission have taken the very course which my hon. friend has indicated should be taken. I have in my hand, submitted to me by the chairman of the commission, some of the plans the commission wish to be free to carry out. I do not think it would be in the public interest to disclose these proposals at present, but they do reveal exactly what my hon. friend has in mind, namely, foresight on the part of the commission in laying out constructive plans for future developments.

Mr. EDWARDS (Frontenac): May I ask the Prime Minister if he considers it proper to give us an idea of how far afield that foresight goes? He intimated it might carry us to Hull. There is the town of Aylmer, Quebec, where I think some improvements might be made. There is also the town of Cornwall, and other places within a hundred miles of Ottawa. I wonder how far the environs spoken of are supposed to extend? Perhaps they will take in Sydenham, where I hope the Minister of Finance will see his way clear to provide a decent post office, when he is providing money for this scheme to beautify the city of Ottawa.

Mr. HANSON: Will the Prime Minister be good enough to tell us what the capital expenditure will be in connection with this proposal? I have a good deal of sympathy with the desire to beautify the city of Ottawa, but it would be a good thing if my right hon. friend would visit some of the back communities in this country who have been trying to get rural mail delivery, or some improvement in their postal facilities, in order to keep people on the land, something they are trying to do in every province in Canada. I tell my right hon. friend that these people deserve sympathy and consideration from the public treasury first, before the city of Ottawa. I think we ought to do something for them. If we are going into a huge capital expenditure, and this grant is to be mortgaged for the future to pay interest for twenty-five or thirty years, I think we ought to go pretty slowly, or know at all events what we are going to do.

The CHAIRMAN: Shall the resolution carry?

Mr. HANSON: No; I think we ought to know what the capital expenditure will be.

Mr. MACKENZIE KING: I may say that the commission is expected to keep within the amount that is appropriated by parliament. Before bringing the proposal to the House, I asked for a statement as to how it was proposed the moneys would be used, and the proposals of the commission relate and are confined to the grant which parliament is putting at their disposal.

Mr. HANSON: What are the proposals with respect to capital expenditure and how much are they going to mortgage the future of the country for?

Mr. CANNON: The bill provides for $4,000,000 and it states that this $4,000,000 will be paid within a period of sixteen years at the rate of $250,000 a year. The advantage of this is that the commission know beforehand exactly how much they will receive and thus they can finance more easily. Last week I had the pleasure of meeting Sir George

Garneau who is at the head of the Battlefields Memorials Commission. He was suggesting that we should adopt for his commission the same system and that, instead of voting yearly the sum of $100,000, we should once for all make it statutory so that the banks and other financial institutions might know exactly how much the commission received and how much they could expect to get. This bill will cover that in this case.

Mr. HOCKEN: I do not think the government is going far enough. What should be done now is to declare Ottawa and such part of its suburbs as might be thought desirable, a federal district, to appoint a commission to govern the city of Ottawa, and to treat the people of the city as the people of Washington are treated. If we are going to make the city of Ottawa a great capital, attractive in all its physical features, the way to go about the matter is to appoint a commission now to take over the city. Let this government manage and govern it. We have a splendid precedent for that across the border and that precedent could be followed with great advantage to the country.

What is proposed, as I understand this legislation, is to make a grant of $4,000,000 covering sixteen years. That looks to me as though the creation of a federal district in Ottawa will be postponed for at least sixteen years. If there were as much foresight in the government as there seems to be in the commission that is about to be appointed, what I am proposing should be done. Instead of appointing a new commission now and making new conditions for the commission to act upon, we should at this time decide the question: Shall Ottawa be a federal district? If the answer is in the affirmative, then we should proceed to appoint a commission, take over the government of the city and direct its affairs in the same way as is done in Washington.

Mr. FONTAINE (Hull) (Translation): I entirely differ, Sir, from the opinion of the hon. member for Toronto West Centre (Mr. Hocken) who suggests creating a federal district. On the other hand, it is with pleasure that I support the resolution of the right hon. Prime Minister (Mr. Mackenzie King) by which it is proposed to spend in Ottawa, Hull and their surroundings a sum of $4,000,000 in the course of the next sixteen years.

[Mr. Cannon.]

On behalf of my constituents I am absolutely opposed to the city of Hull becoming part of a federal district, because it would despoil us of our most cherished rights. We are perfectly content with our fate and we wish to remain a part of the province of Quebec. The resolution introduced by the right hon. Prime Minister to establish a commission having very extensive authority and empowered to spend money over the whole district, is approved by all, but I do not think it in any way necessary to create a federal district which would include Hull, this would, I again state, deprive us of the rights which we have enjoyed ever since confederation.

Resolution reported, read the second time and concurred in. Mr. Mackenzie King thereupon moved for leave to introduce Bill No. 280, respecting the Federal District Commission.

Motion agreed to and bill read the first time.

PRIVATE BILLS

FIRST AND SECOND READINGS

Bill No. 273 (from the Senate) for the relief of Charles William John Walker.

Bill No. 274 (from the Senate) for the relief of John Stewart Walker.

Bill No. 275 (from the Senate) for the relief of Percy Ashley Davis.

Bill No. 276 (from the Senate) for the relief of Edward Henry Ball.

Bill No. 277 (from the Senate) for the relief of Mary Saranchuk.

Bill No. 278 (from the Senate) for the relief of Dorothy Ruth Hoffman.

Bill No. 279 (from the Senate) for the relief of Frederick Wilson McLean.

RAILWAYS, CANALS AND TELEGRAPH LINES

Mr. A. M. YOUNG (Saskatoon) presented the ninth report of the select standing committee on railways, canals and telegraph lines as follows:

Your committee recommends that the fees and charges paid on Bill No. 174, to incorporate the Red Lake and Northwestern Railway Company, be refunded, less the cost of printing and translation.

He said: I beg to move that the ninth report of the select standing committee on railways, canals and telegraph lines be concurred in.

Motion agreed to.

DOMINION ELECTIONS ACT AMENDMENT

Hon. LUCIEN CANNON (Acting Minister of Justice) moved the second reading of Bill No. 260, to amend the Dominion Elections Act.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Appointment and salary of Chief Electoral Officer.

Hon. LUCIEN CANNON (Acting Minister of Justice): As I explained when the resolution was before the House, the object of the bill is to provide for the appointment of a successor to Colonel Biggar, who at present is the Chief Electoral Officer. Colonel Biggar has intimated his wish to relinquish the office. Section 1 provides that the Chief Electoral Officer in future shall be appointed by a resolution of the House of Commons and that his salary will be $6,000 a year. When discussing the resolution the hon. member for St. Lawrence-St. George (Mr. Cahan) raised the question as to tenure of office of the Chief Electoral Officer, and upon examining the bill as it is drafted I discovered that provision has not been made for that. I have placed an amendment in the hands of the Chairman. I move to add the words "per annum" to the second paragraph of section 1, so that it will read:

> The Chief Electoral Officer shall be appointed by resolution of the House of Commons and shall be paid a salary of $6,000 per annum.

That is the section as it stands in the bill, plus the words "per annum." I also propose to add the words:

> He shall hold office on the same tenure and shall be removable only for cause and in the same manner as a judge of the Supreme Court of Canada.

Adding these words removes any possibility of the post of Chief Electoral Officer becoming somewhat of a political position and the holder being removed by resolution of the House, without any of the guarantees that should surround such an office.

Mr. EDWARDS (Frontenac): Will the minister tell me: When the chief electoral officer was appointed, at what salary, and if he vacates the office will he receive a pension, and if so how much?

Mr. CANNON: Colonel Biggar was the first Chief Electoral Officer under the new electoral law passed in 1920. I will give the House the reason for the amending act. By consulting the Dominion Elections Act hon. members will see that the name of Colonel Biggar was inserted in the clause when the bill was originally passed, so that Colonel Biggar was appointed in 1920. The salary which he is receiving is $12,000 a year. He was performing, in addition to the functions of Chief Electoral Officer, the duties of counsel for the government. When he retires Colonel Biggar will be entitled, in common with every officer or official who retires, to a certain leave of absence. We provide in this bill that the vacancy shall occur on June 30. He will receive no pension after his retirement.

Mr. EDWARDS (Frontenac): I am very glad to hear that, not that I have anything against the Chief Electoral Officer, but I think that principle might have been adopted more generally than it has been in times past. I have sometimes been led to think that we have almost as many pensioned civil servants as we have active civil servants in the country. In spite of the fact that I may arouse the indignation of some members of the legal profession, I say that I have felt, whether rightly or wrongly, that they have certainly looked after men of the legal profession when it came to the fixing of salaries for judges and looking after the retirement of these judges. They leave the bench very often, because, as they tell us their health would not stand the strain of the work on the bench, and they have actually left the bench with good big pensions. I might name the former Minister of Justice the Hon. C. J. Doherty, who left the bench under these conditions.

An hon. MEMBER: Hear, hear.

Mr. EDWARDS (Frontenac): My hon. friend would not be so ready with his "hear, hear", if I named someone on his own side. But these men have left the bench because they could not stand the strain of the hard work on the bench, and have gone into the very mild occupation of politics—off the bench into politics. When they could not stand the strain of politics they retired and again took judgeships, and if they continue that procedure in time they will be drawing three or four pensions, if they live long enough. As soon as the provinces pass the necessary legislation with reference to old age pensions they will also come in under that act and will be drawing a little more. I say that we have gone to a ridiculous extreme in providing salaries, specially for men on the bench, and providing big superannuation when they retire, probably, in just as good health as any of us in this chamber to-day. I say

that it would be a good general principle to adopt if we paid a man on the bench whatever he was worth as is done in other occupations, and let him provide for his old age out of the salary he got, just as other people do. It is ridiculous to give a man ten or twelve thousand dollars a year and then make provision for his old age. If he has not sense enough to provide for his old age out of ten thousand a year he has not sense enough to be on the bench. This system of superannuation of officers and judges has been carried on in this country, all because we have a lot of men in this House who are of the legal profession, and are looking ahead to the day when they will step out of politics, drop into a fat job on the bench and then retire on a pension which will keep them for the rest of their days. This thing has been carried to a ridiculous extreme. We have carried this system to the matter of appointments to commissions. Is there a man or woman in Canada, outside of the immediate people concerned, who believes that Newton Wesley Rowell is worth a fee of $200 a day, $20 a day for living allowance and his travelling expenses, while working on that commission? He could not earn that money if he were not working on a commission. Millions of dollars are being spent in that way.

I do not propose to let this matter drop, I will bring it up on future occasions, so that the government will not forget it. I will protest against these expenditures, just as long as there are public works throughout the country which are thrown to one side, absolutely disregarded and nothing done to meet the public needs in that respect, when we have millions to spend for the purpose of beautifying Ottawa and millions to spend providing judges with good fat jobs, millions to spend on them when they get too old or too lazy to sit on the bench, and large amounts to spend on political pets who are appointed to this or that commission, because these men have not provided themselves with a sufficient sum to enable them to retire when they get a little older. That is the state of affairs in this country and it is a crime.

Mr. HOCKEN: Who is the appointee?

Mr. CANNON: The House will appoint him by resolution.

Mr. HOCKEN: Who is it to be? You will not accept his nomination from this side?

Mr. CANNON: The Prime Minister stated on Monday that before introducing a resolution providing for the appointment of Colonel Biggar's successor he would confer with the leader of the opposition in order that, if possible, all parties might agree on a man who would give satisfaction.

Mr. HOCKEN: That is all right.

Amendment agreed to.

Section as amended agreed to.

On section 2—Duties as counsel for the crown.

Mr. CANNON: Colonel Biggar besides being Chief Electoral Officer has acted as counsel for the government. We are amending the act so that the Chief Electoral Officer to be appointed under this bill will confine himself to his duties as such. This is the reason for reducing the salary of $12,000 to $6,000. I am quite sure my hon. friend from Frontenac will rejoice in the reduction.

Some hon. MEMBERS: He has gone out.

Section agreed to.

On section 3—When office vacant.

Mr. CANNON: I move to amend clause 3 by inserting in the two blanks the words "thirtieth" and "June".

Amendment agreed to.

Section as amended agreed to.

Mr. GUTHRIE: There is another clause.

Mr. CANNON: I propose to add another clause, for this reason. The bill provides for the selection of the Chief Electoral Officer by resolution of the House. But the bill can be put into effect only when it is sanctioned, and it will not be sanctioned before the end of this session. Colonel Biggar will not vacate his position as Chief Electoral Officer before June 30. In order to meet this situation I move that the following section be added as number 4:

> The successor to the said Oliver Mowat Biggar as Chief Electoral Officer shall be the person who has been designated as such during the present session of parliament by a resolution of the House of Commons, and shall take office on July 1, 1927.

Colonel Biggar will vacate his position on June 30. There is this further paragraph:

> In the meantime subsection 5 of section 19 of the Dominion Elections Act, chapter 46 of the statutes of 1920, shall apply to such person as if he were actually filling the office of Chief Electoral Officer.

This is necessitated because the Dominion Elections Act provides that if the Chief Electoral Officer dies or becomes unable to

fill the position the Chief Justice of the Supreme court may appoint a substitute. But hon. members will realize that after a resolution of this House shall have been passed designating a successor to Colonel Biggar who is to vacate office on June 30, in the event of that person dying before July 1, after June 30, there would be no Chief Electoral Officer. In order to meet that eventuality I have introduced this paragraph. In case the person so designated should be unable to take office on July 1, he will be considered as having filled the office, and it will be possible to appoint a substitute, so that there will be no break in the continuity of the office.

New section agreed to.

Bill reported, read the third time and passed.

SUPPLY

NATURALIZATION OF CANADIAN WOMEN MARRIED TO ALIENS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee of supply.

Miss A. C. MACPHAIL (Southeast Grey): Mr. Speaker, there are many Canadian women who resent the injustice which women who are British subjects, but married to aliens, suffer in regard to naturalization. A woman may be a Canadian, she may be the grandchild of Canadians, but if she marries an alien she ceases to be a British subject. She may not resume her British nationality until her husband chooses to become naturalized; and if he dies or the marriage is dissolved the woman remains an alien until she makes a declaration and obtains a certificate from the Secretary of State. It would seem that such treatment makes naturalization of small account. It must be of little importance if adults can be naturalized without satisfying the condition as to desirability and without being required to take the oath of allegiance, and it certainly is insulting to women to assume that their allegiance can be transferred without their own consent.

Under the present law marriage and citizenship are very much mixed up. I don't think the two should be so closely related, if related at all. There are scores of British women resident in Canada who, having married aliens, find themselves citizens of no country, unable to claim the protection of any government, unable to vote, unable to teach or to accept any civil position should the need arise, and, in the event of their husbands' death, unable to participate in the mother's allowance for the benefit of their children. Because of their statelessness they find it almost impossible to obtain a passport. I have a letter from a woman in Ontario received when the resolution in regard to this subject appeared on the order paper. She lives in Prince Edward county and pays taxes, but at the last election on December 1 not only herself but twenty-five other women in the county were prevented from voting. She tells that her great grandfather was an officer in the Revolutionary war and a British subject and she describes how loyal they had always been; yet after marriage to an American, although they live in Canada and she owns large property and pays taxes, she finds herself unable to vote in any election in this country. She writes protesting against such treatment.

Last year I tried to get a passport for an Ontario girl who was married to an alien. I could not obtain the passport and she had to cancel her trip. Many other members of this House could tell similar stories. I have heard them in private conversation and if they had the opportunity to speak I am sure they could tell of experiences such as I have described. When it is considered that, in western Canada particularly, we are receiving from many shores aliens who are marrying women of British nationality, this is a matter of vital concern to Canada.

The right of women to retain their British nationality although married to aliens was enjoyed until the year 1870. Previous to that time the common law of England contained two principles: first, that a British woman who married an alien should retain her British nationality, and, secondly, that an alien woman who married a British subject remained an alien. Women were regarded as chattels; after marriage they had no right to their property, which passed into the control of their husbands. They did not possess the franchise and generally they were in a humiliating and subordinate position as compared to the status of women to-day. Yet until 1870 they had the right to retain their nationality. In that year the law was changed to provide that a married woman should be deemed to be the subject of the state of which her husband for the time being was a subject. When this change was made the women of Great Britain—for this is British law—were not consulted at all, and the subject received very little debate in the House of Commons, through which it passed very hurriedly. The law was amended in 1914 to read:

> That the wife of a British subject shall be deemed to be a British subject and the wife of an alien shall be deemed to be an alien.

In the amending act of 1914, however, women did make certain gains. In the British nationality and Status of Aliens Act, 1914, women gained the principle, excluded since 1870, that a woman might be of different nationality from her husband's. If her British husband should change his nationality, she might under the act declare that she would remain British; and a British-born woman with a foreign husband may now apply, on the dissolution of her marriage by death or divorce, for readmission to British nationality without complying with the requirements as to residence.

In 1922 Lord Danesfort brought forward a bill, which passed its second reading, containing two important principles: first, British women should have the right to retain their nationality when they married aliens; and, second, that an alien woman should not by the mere act of marriage with a British subject become a British subject. Dissolution of parliament prevented anything further being done, but in 1923 a select committee of the Lords and Commons was appointed to consider the subject. This committee, comprising five commoners and five lords, agreed that a change was necessary. But, one of the lords dissenting, no recommendations were made when the report was presented. The objection advanced by this dissenting lord was that the change would result in trouble in the home. Men and women, it was urged, were one. We all know that, but the thing I want to know is, which one? If it is going to disturb the harmony of the home to have any change of nationality on the part of either husband or wife, let the husband take the nationality of the wife. It is as fair that way as the other. I have no great fear that the home will be disrupted if women are given the vote, or if they go to work, or if they retain their nationality. Every advance made by woman has been frowned upon because of this very fear of the home being disrupted. Men are always worried about this consequence, but it does not happen, for the simple reason that the real home is a community of interests so strong that it will take more than any change of nationality, more than the vote or any of these things to disrupt it. We need not worry about the home on that account.

The matter was brought forward again in the British House of Commons in 1925, when Major Harvey introduced a resolution, which was carried, to the following effect:

> That in the opinion of this House a British woman should not lose or be deemed to lose her nationality by mere act of marriage with an alien, but that it should be open to her to make declaration of alienage.

[Miss Macphail.]

During the course of the debate on that resolution the Under Secretary of State informed the House that after the meeting of the joint committee of the Lords and Commons to which I have referred, no agreement having been reached, the matter had been raised at the imperial conference of 1923. It was referred to a sub-committee of the conference, as will be found at page 1213 of that conference. The suggestions of the sub-committee of the conference as well as those of the joint committee of the Lords and Commons were submitted to the dominions in the autumn of 1924, but up to the time when Major Harvey was taking part in the debate on the resolution I have quoted, only one of the dominions had expressed itself on the subject. I wonder why Canada did not reply. I believe that public opinion in this country favours a change. I have no doubt it is the desire of the people of this Dominion that a British woman married to an alien shall have the right to retain her British nationality. Mr. Hurst, speaking to Major Harvey's resolution in 1925, said:

> I do not believe we ought to wait until the principle adopted in this resolution has been accepted by all self-governing dominions. On July 14, 1921, I put a question to the then Prime Minister on this subject and I was told that no decision could be arrived at until the dominions had been consulted with. That is four years ago and we are not one inch further along the road to legislation than we were then.

From the beginning we can conclude that the British House of Commons on various occasions has wanted to do something about the matter. As I have pointed out, they referred the question of the dominions, from only one of which they received any reply. I cannot see why they did not hear from our Dominion, and I think it is time the parliament of this country took whatever steps are necessary to make it possible for British women married to aliens to retain their own nationality.

The United States tried the law which we now have for the period from 1907 to 1922 when, by the Cable act, the law was changed to read:

> A woman citizen of the United States shall not cease to be a citizen by reason of her marriage unless she makes a formal renunciation of her citizenship before a court having jurisdiction over naturalization of aliens.

It was further enacted that:

> Any woman who marries a citizen of the United States shall not become a citizen by reason of such marriage.

By this law an American girl who marries a Canadian becomes a British subject while still remaining a citizen of the United States, but a Canadian girl who marries an American

ceases to be a British subject and does not become a citizen of the United States, and is therefore a citizen of no country. There are many practical examples of this, and I am sure every member of this House is aware of some of them. The republics of Argentine, Brazil and Chile have similar naturalization laws to those of the United States. Belgium in 1922 gave women the right to retain their nationality after marriage if they so desired. In 1924 Sweden gave women the same right, so long as they remained in Sweden, and other Scandinavian countries have followed the same procedure.

Resolutions asking for this change have been passed by women's organizations in Canada for many years past, among those outstanding being the National Council of Women, who have time and again asked that women be naturalized of their own right, and that marriage to an alien should not affect them in any way. The Canadian Council of Agriculture have presented this question to the cabinet almost times without number. The Womens' Institutes of Canada have taken a firm stand upon it, together with the Social Service Council of Canada. The Alberta legislature on two occasions adopted resolutions dealing with this problem, one of which was introduced last session by Hon. Irene Parlby and seconded by Mrs. Nellie McClung, but no action was taken in this House. As I have already pointed out, Great Britain adopted Major Harvey's resolution in 1924, and I do not see why the parliament of Canada has not taken some stand on this question.

I realize that this is an international matter, but after all it will not be dealt with in an international way until all the countries affected deal with it first, and I appeal to the members of this House in the name of the womanhood of this country to see that this injustice is removed and that women have the same right of citizenship accorded to men. I think women love their country as much as men, and since women are not to-day property as they were thought to be in days gone by, but thinking individuals, I appeal to this House of Commons to take the first opportunity to do all that can be done in this matter. Let it be taken up by the League of Nations or the next Imperial conference; let us do anything that can be done in order to remove this injustice.

Mr. STEVENS: Mr. Speaker, I rise to a point of order. I did not do so before because I thought it would not be very gallant.

Mr. SPEAKER: If the hon. gentleman will allow me, I was just about to remark that on looking at the order paper I found the resolution touching this subject appearing under the name of the hon. member for South-east Grey (Miss Macphail). Upon inquiry of the Clerk of the House I found that the hon. member called yesterday at the office of the Clerk and asked that the notice be dropped, in order to enable her to bring up the matter. The order was given, but the printer neglected to make the change.

Mr. STEVENS: I merely rise for this purpose. I did not desire to interfere in any way, or to prevent the hon. member from bringing her case before the House, which is the reason I remained in my seat while she was speaking. I do think, however, that the House should take note of the fact that this discussion is out of order and is a violation of the rules, in order that in future this incident may not be taken as a warranty for another evasion of the rules.

Mr. SPEAKER: I noticed the fact as the hon. member was rising, but I did not interrupt her. I sent for the Clerk, however, who told me that it was a mistake on the part of the printer and that the hon. member called in at the Clerk's office yesterday to request that the order be dropped.

Mr. IRVINE: Might we not expect a statement from the Prime Minister in connection with this matter?

Mr. MACKENZIE KING: I was assuming that the Speaker had ruled to some extent that the discussion was out of order, and I did not wish to add to it. If the House gives its consent, however, I have no doubt the Secretary of State (Mr. Rinfret) will be only too pleased to add a few words.

Some hon. MEMBERS: Out of order.

Mr. SPEAKER: I cannot declare the remarks made by the hon. member out of order, because the fault lies with one of the employees of the House. The notice is considered dropped, because the hon. member asked that it be dropped yesterday, as she had a right to do.

Hon. FERNAND RINFRET (Secretary of State): Mr. Speaker, I was not going to press my right to speak because I have had occasion to ask the chair to uphold the rules of the House, and I think it is very important that we do so. While the hon. member was speaking I also thought that the whole procedure was not in order but, wishing to be as gallant as the hon. member for Vancouver Centre (Mr. Stevens) has been, I did not wish to press the point until I arose myself. It was my intention to draw the attention of

the House to the fact that the discussion was not in order so long as the motion of the hon. member still appeared on the order paper. Having given some study to this very interesting question I am only too sorry that the hon. member did not have an opportunity to bring it before the House in another way, but I quite realize that private members days were practically blocked by one private bill during much of the time of the session, and that was the main reason why this particular motion was never reached. The House will also understand that at this stage of the session, and considering also the way in which this motion has been taken up, it is not my intention to go fully into the question, but rather to state very briefly the policy of the government in this regard.

I wish to make a distinction between the principle involved in the question brought forward by the hon. member for Southeast Grey (Miss Macphail) and the practicability of making any amendment to the Naturalization Act at the present time. As to the principle entailed in this question, I am quite willing to state that the government is fully in accord with the attitude of the hon. member. We believe that it would be desirable that women of British nationality should be entitled to retain British nationality after marriage to an alien, if they so desire. At the same time the House will appreciate the fact that the Naturalization Act in Canada is based upon the imperial act and that it would not be wise to amend it in any way of our own accord, without taking into consideration the effects of such an amendment within the empire. The existing act in Canada is the result of what may be called a contract entered into between Great Britain and the dominions at the Imperial conference of 1911. I will not give the full agreement, but will mention only the most important points, one being that imperial nationality should be world-wide and uniform, and the other that the imperial act should be so framed as to enable the self-governing dominions to adopt it. Inasmuch as the act in Canada is based upon the imperial act it may be interesting to note the evolution of the latter statute. My hon. friend (Miss Macphail), in the course of her very interesting remarks, has referred to some phases of that evolution. It is noteworthy that in early days the situation in England approached more closely to what my hon. friend now desires than what it does to-day. By the common law of England, prior to 1844, the nationality of a woman was not affected by her mariage. If a British woman subject married an alien, she remained British.

If an alien woman married a British subject, she remained an alien. It was not until 1844 and 1870 that the act in Great Britain was amended. The amendment brought forward in 1844 was to the effect "that any woman married or who shall be married to a natural-born subject or person naturalized shall be deemed and taken to be herself naturalized and have all the rights and privileges of a natural-born subject." This did alter one phase of the situation in this respect, that an alien woman marrying a British subject by that fact became herself a British subject. In 1870 the other side of the question was taken up and this amendment was enacted in Great Britain that a "married woman shall be deemed to be a subject of the state of which her husband is for the time being a subject". That is to say, by these two amendments in 1844 and 1870 the British parliament had departed altogether from the original common law. In 1914, as my hon. friend has pointed out, the law was reenacted in simpler and clearer form, and it was stated that "the wife of a British subject shall be deemed a British subject, and the wife of an alien be deemed to be an alien". But from that date until now the whole trend of opinion in the British parliament has been to depart from the act of 1914 by making a number of exceptions to this ironclad rule.

I do not think I should go into the matter very fully to-day except to state that in 1923 a select committee in England took evidence on the matter. They were not unanimous in their report, but the majority of the committee were in favour of amending the law according to the principle invoked by my hon. friend to-day, and according to the motion that she placed on the order paper. In 1925 Major Harvey moved a resolution in the British House of Commons to the effect that a British woman should not lose or be deemed to lose her nationality by the mere act of marriage with an alien, but it was to be open to her to make a declaration of allegiance. That resolution was adopted. In the following year, in 1926, a similar motion was moved and adopted by the Australian parliament. Therefore it will be seen that the trend of opinion in the empire is against the iron-clad provision that was enacted in the British parliament in 1914, due no doubt to the situation created by the war at that time. I would, however, point out that in both the British parliament and the commonwealth of Australia it was made very clear that the whole question should not be decided separately by either parliament, but that it

should be decided unanimously by all the parliaments within the empire, it being desirable that unanimity should be observed in the framing of naturalization acts throughout the empire. The reason for that is very plain. We could, even within the agreement of 1911 to which I alluded at the beginning of my remarks, frame our act separately and according to our own views, but the effect would be to grant naturalization only within our own borders, and would create a confusing situation which I think my hon. friend himself will admit is not at all desirable. It is for that reason that the whole question was submitted to the Imperial conference in 1926 with the hope of arriving at a common solution. I regret to say that the hope was not realized, although I am informed that during the discussion the Canadian repesentatives not only took a stand favourable to the principle we are discussing to-day but they advanced the situation somewhat towards a solution. I refer my hon. friend to the report of the Imperial conference of 1926, page 32, which contains the conclusion of the conference on that matter:

> The committee also considered the question of the nationality of married women. On this matter some divergence of view was disclosed and the committee were unable to arrive at a unanimous conclusion. Since, however, they attached great importance to the maintenance of uniformity throughout the various parts of the empire in the law relating to British nationality, they decided to recommend to the conference that further consideration of the question should be postponed pending the report of the committee of experts referred to in the report of the Inter-imperial Relations Committee which, it is proposed, should deal with various matters connected with the operation of Dominion legislation, and in view of the possibility of an attempt being made to regulate the problem of dual nationality and no nationality by international agreement. The conference adopted this recommendation.

That is where the matter stands, and I think I might well conclude my remarks now, by stating that the government is fully in accord with the hon. member for Southeast Grey as to the principle of her motion, but we believe that no attempt to amend the Naturalization Act should be made now. It would be better merely to proclaim that principle, and make it known to the imperial authorities and to other parliaments within the empire that on this matter Canada stands with the British and Australian parliaments. But we desire uniformity in the matter of this law, and we think that no specific amendment should be considered at present.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): May I say just a few words in support of the proposal of the hon. member for Southeast Grey. I quite realize that there are many complicated questions arising with respect to naturalization. No question is in fact more difficult. But may I suggest that if we insist that we can do nothing in Canada until there be uniform action all over the British Empire it may mean that a very great hardship may be worked on a great many of our own Canadian citizens. The hon. member for Southeast Grey called attention to the situation in which some of our own people find themselves. I have had letters on the subject. I think of one in particular from a woman in British Columbia who was married to an American. Her husband deserted her and she was left in a most awkward position. She has no standing as an American citizen under the American law. Under the Canadian law she is not a British subject although she is British-born. Short of the death of her husband, which apparently is not likely to take place for some time, there seems to be no way by which she can regain her Canadian citizenship. One case of that kind is sufficient to point out the need of some action on our part. I can understand that in Great Britain where social distinctions between England and Europe are considerable, they may not have such practical difficulties as we have in Canada. But in this country, when we have 3,000 miles of an international boundary with two peoples of the same race and the same language living along this border, when hundreds of thousands of United States citizens are coming to Canada and hundreds of thousands of Canadians are going over to the United States, our problem is a somewhat peculiar one. I received from one organization in the west a resolution urging that if no step could be taken to give relief by means of the Imperial conference, we should develop some sort of distinctive Canadian citizenship which would enable us to safeguard the interests of our Canadian citizens.

As a matter of fact we have developed a distinction between British citizenship and Canadian citizenship, in that, according to the United States laws, native-born Canadians may cross the international boundary without any difficulty, whereas citizens who are not Canadian-born must submit to the quota law prevailing in the United States. Hence in practice we are developing somewhat of a distinction between those two classes of our citizens. In passing I may say that if we had any national self respect in Canada, we would not allow such a distinction to continue. I would urge that on this American continent, with the proximity of two great races so similar in their characteristics, we ought not

to allow purely imperial considerations, however good they may be in their place—and those of us who travel abroad recognize the value of imperial citizenship—to prevent us from meeting the practical needs that exist in Canada.

Motion agreed to, and the House went into committee of supply, Mr. Johnston in the chair.

TRADE AND COMMERCE

Trade and Commerce—The Copper Bounties Act, 1923, administration of, $500.

Mr. STEVENS: Is this for copper refining?

Hon. JAMES MALCOLM (Minister of Trade and Commerce): This is for the copper bounty.

Item agreed to.

The Hemp Bounties Act, 1923, administration of, $500.

Mr. GUTHRIE: Is anyone earning anything under this bounty?

Mr. MALCOLM: The amount is very small. Last year the amount earned was less than $100.

Mr. FANSHER (Lambton): Who receives these bounties?

Mr. MALCOLM: I am sorry I have not the names of the claimants.

Mr. FANSHER (Lambton): Is it the manufacturers alone or the growers?

Mr. MALCOLM: The manufacturers.

Mr. FANSHER (Lambton): Does the minister not think this bounty should go further than that and the growers should be considered?

Mr. MALCOLM: The bounty was paid to assist in the manufacture of twine from Canadian hemp, but so far advantage has not been taken of it to any great extent.

Mr. FANSHER (Lambton): Why has advantage not been taken of it? Is it because hemp is not produced here from which the manufacturers can make these twines? It may be that the bounty is not going to the right people.

Mr. WHITE (London): It would be of interest to the committee to have some statement from the minister as to what is being done in the way of growing hemp and the manufacture of twine.

Mr. MALCOLM: The only statement that I can make to my hon. friend is that the act was passed in 1923 to encourage the growing of hemp in Canada by giving a bounty to manufacturers who would use that hemp. The bounty was on a sliding scale, the first year one and one-half cents per pound, dropping one-eighth of a cent each year and expiring in 1933. But so far the bounty has not apparently induced the growing of hemp for twine purposes to any great extent.

Mr. CHAPLIN: Is it not true that at the time we granted this bounty we had before us manufacturers who were willing and who told the minister of the day that they were prepared to go ahead and manufacture twine from Canadian hemp?

Mr. MALCOLM: I cannot say that. I do not know.

Mr. CHAPLIN: That was my understanding of the matter.

Mr. STEVENS: I think the inception of this bounty was an effort near Portage la Prairie to grow hemp and they grew some hundreds of acres successfully. They asked for assistance of this kind, namely an encouragement to the manufacturers and then, so far as I can learn, they grew no more hemp.

Mr. ANDERSON (Halton): If no advantage is being taken of this particular bounty, why is it included in the estimates?

Mr. MALCOLM: The act did not come into force until 1925 and this is only the second year in which it has been in operation. It has not been thought advisable to drop the item, because the act providing for the bounty is still in force, if any one likes to take advantage of it during the period that it remains in force.

Mr. ANDERSON (Halton): Was any amount paid last year?

Mr. MALCOLM: $60.15.

Mr. ANDERSON (Halton): To whom?

Mr. MALCOLM: I am sorry I cannot give the names of those to whom payments were made. They were so few.

Mr. LUCAS: Has any amount been paid out in bounties?

Mr. MALCOLM: In 1925-26 there was paid out $248.33, and last year $60.15.

Item agreed to.

British and Foreign News Service, $32,000.

Mr. RYERSON: Will the minister explain this item?

Mr. MALCOLM: This is a vote to Reuters News Service for giving publicity abroad to Canada by sending despatches to all their correspondents. I have under my hand a list of journals including a whole page of foreign publications. The number of despatches of Canadian interest was as follows:

1923-24	3,904
1924-25	11,984
1925-26	9,334
1926-27	11,481

That is up to December 31, for the year.

Item agreed to.

The Canadian Grain Act, administration of, $1,504,600.

Mr. GUTHRIE: Why the increase of $74,000?

Mr. MALCOLM: I may inform the House that what appears here is rather misleading. The main estimates for 1926-1927 were $1,430,000 and the supplementary estimates $350,000, the total requirement being $1,780,000. The Board of Grain Commissioners asked for $1,654,000. Council reduced their request by $150,000, so that the actual decrease in the main and supplementaries as against last year is $275,000.

Mr. ANDERSON (Halton): This is quite a large sum for the administration of the act, even if it is the Grain Act. What is the explanation of the large amount?

Mr. MALCOLM: It is a very large and a very profitable business for the Dominion of Canada. The Grain Act is administered by the board, and I can explain in a few words what hon. members often refer to, namely the very large surpluses. The surpluses appear to be larger than they really are, because no account is taken of the cost of public buildings, which is provided for by the Public Works department. No provision is made for depreciation in respect of these buildings, and no interest is charged. It was estimated by the board last year that, taking account of all these things, the government earned four per cent on all its investments as well as all its expenditures. There was a surplus during the last year of which we have a record of $492,935 in the administration of the act. It is a branch which not only gives service but produces some revenue on the capital invested.

Mr. LUCAS: The committee on agriculture is at present sitting and some members have given attention to this matter and would like to discuss this vote. Perhaps the minister would let this item stand.

Mr. STEVENS: Let the next item stand.

Item stands.

Management, operation and maintenance of elevators, $593,000.

Mr. LUCAS: This is an important item. Would the minister let it stand?

Mr. MALCOLM: I would like my hon. friend to be reasonable. Any discussion that members of the committee on agriculture wish to make on the Canada Grain Act would be pretty much the same as they would make on the elevator item. I would prefer that this item be passed. I am leaving one vote which would give hon. members the privilege of speaking on all of them.

Item agreed to.

Commercial intelligence service, including miscellaneous expenditure in connection with the development and extension of Canada's trade, $425,000.

Mr. JELLIFF: Will the minister explain the increase of $50,000?

Mr. MALCOLM: It is brought about largely by the opening of new offices and the general enlargement of the commercial intelligence staff, the statutory increases in the salaries of our trade commissioners, and the increase in staff in order to provide service for the growing export business of Canada. The commercial intelligence vote is a vote that is liable to increase as the trade of the country increases, and I can give no further explanation. It is a gradual increase all along the line of the services rendered.

Mr. HARRIS: Where are the new offices?

Mr. MALCOLM: There is one new office opened in Dublin.

Mr. COOTE: Are there any trade agents, and if so, how many in the United States? Does that come under the item?

Mr. MALCOLM: Mr. Hudd is our trade commissioner in New York.

Mr. COOTE: Just the one.

Mr. MALCOLM: Yes, sole agent for Canada in the United States, and there is a commercial intelligence agent at Washington.

Mr. COOTE: How many trade agents are there altogether?

Mr. MALCOLM: Twenty-four.

Mr. COOTE: The minister might very well consider this year increasing the number of trade agents in the United States. The United States is the largest customer we have and one of the wealthiest nations of the world. It seems to me that we should have more trade agents in the United States if we are maintaining twenty-four altogether. Possibly we are overlooking the increase of trade with our nearest neighbour who should be our best customer.

Mr. ROSS (Kingston): Has the minister a representative in this service in China, and what is he doing at the present time?

Mr. MALCOLM: One man in Shanghai.

Mr. ROSS (Kingston): In view of the increase of one in the number of agents, does the minister not think he could make a decrease of one in the case of China?

Mr. MALCOLM: We just heard from our agent in Shanghai telling us to go ahead and ship all the merchandise we like.

Mr. COOTE: I would like to express the opposite view from that expressed by the hon. member for Kingston. Those of us in western Canada are looking towards China as the place where we will find greater markets for our agricultural produce, and I would suggest to the minister that instead of removing the representative from China he should do all he can to find new markets for us in that country and do everything possible looking to the development of our market there. Our governments, whether Liberal or Conservative, have insisted on one thing, and that is that they must bring in a large number of people to exploit the vacant lands in Canada and increase production, but they do very little towards finding a market for that increased production, and naturally it becomes a problem for the producers. If the government are going to spend any money on trade commissioners they might very well endeavour to increase trade between this country and China.

Item agreed to.

Dominion Bureau of Statistics, including 1926 census, $250,000.

Mr. KENNEDY: What is the explanation for the decrease?

[Mr. Malcolm.]

Mr. MALCOLM: The quinquennial census work of course necessitated a larger vote last year. There is less money required during the coming year for this work.

Mr. HEAPS: What was the expenditure on the census?

Mr. MALCOLM: From April 1, 1921, to March 31, 1925, the total cost was $2,122,000. For the last census the expenditure to date is $429,000, but there is still work to be done in compiling and publishing the returns.

Mr. COOTE: I do not know whether the question should be raised on this item, but I should like the minister to enlighten the committee in regard to it. The census enumerators as a rule will not accept the answer that a person is a Canadian; they say he must be described as Scotch, Irish, English, German, Ruthenian, and so on. Is it necessary that a Canadian should trace back his ancestry until he finds from what particular country his forebears came?

Mr. MALCOLM: My hon. friend is quite correct, and he would assist the Bureau of Statistics by furnishing a definition of what constitutes a Canadian. The statistical department is trying to compile its information on racial lines. It is a difficult question, and I think the committee would be willing to hear suggestions at the right time.

Mr. WARD: Why should there be any difficulty? Are we not proud of our country? Are we not satisfied to call it Canada?

Mr. MALCOLM: Is a Chinaman born in Vancouver a Canadian?

Mr. COOTE: I am a little doubtful myself about this. I understand, although of course I could not verify it personally, that my great-grandfather was born in Ireland. I do not know whether anyone would ever suspect it.

Mr. DUNNING: There is no doubt about it.

Mr. COOTE: On the other hand, my mother was born in the Orkney islands. Now, should I insist on telling the census enumerator that I am a Canadian, or should I say that my origin is Scotch or Irish? I would suggest to the minister that at any rate a person born in this country, one of whose parents was also born here, should be entitled to describe himself as a Canadian.

Mr. HARRIS: I should like again to draw the attention of the minister to a point that has been raised on several occasions since 1921 in regard to our manufacturing institutions filing all manner of returns with the govern-

ment which are more or less a duplication. For instance, the census of industry asks for a report as to the conduct of business, the hours of labour, the number of employees, the rates of pay, and so on. A month later the Department of Labour will ask for similar information. Then a subdivision dealing with chemical and metallurgical industry will ask for practically the same particulars as have been already supplied to the census of industry. It was urged in this House in 1922, and again in 1923 and 1924 that this work should be consolidated so that business institutions would not be bothered with this duplication of returns. In 1923 it was suggested that an attempt be made to coöperate with the provincial governments, which in most cases require similar information from business institutions in connection with the Workmen's Compensation Act and similar legislation. I would also point out to the minister that in the income tax returns a good deal of information has to be given that has already been furnished to the census of industry. Is any effort being made to coördinate this work and so save our business and manufacturing institutions a lot of unnecessary labour?

Mr. MALCOLM: I am glad to be able to tell my hon. friend that a good deal of progress has been made towards eliminating the duplication of statistics. That was primarily the idea in creating the bureau. More and more the various departments of government are centralizing their work. Not only so, but the Dominion Statistician is endeavouring to coöperate still more with the provincial governments in order to avoid the necessity of making two sets of vital statistics. I agree with my hon. friend as to the character of the returns required from manufacturing concerns —some of the statistics required by the bureau are very difficult of compilation. I took the matter up with the Dominion Statistician, and he told me that he had very little trouble in administering the act. Where he has found it work a hardship on smaller business people he has not made himself at all objectionable.

Mr. ARTHURS: What about other departments?

Mr. HARRIS: Has there been any coördination with other departments?

Mr. MALCOLM: We are working on Labour statistics at the present time in order to get them all under one bureau. The Fisheries statistics have been taken into the bureau, also all the trade statistics and the Customs and Excise statistics.

Mr. HARRIS: As a matter of fact, more statistics are asked for to-day by the Department of Labour than by all the other departments. Would the minister tell us the cost of operating the department which has to do do with securing returns from chemical and metallurgical industries? And why the necessity for this branch when the census of industry covers the same ground?

Mr. MALCOLM: We have never attempted to segregate the cost of any particular branch of work of a general staff.

Mr. HARRIS: Is it not a fact that the census of industry branch has one head and one staff carrying on a line of investigation similar to that conducted by the chemical and metallurgical branch of the Bureau of Statistics which also has a head and a staff? Are they not accumulating the same information and is it not true that one of these branches was established within the last five years?

Mr. MALCOLM: I do not think that is correct but I shall be glad to look into the matter to see whether there is any overlapping. We have been endeavouring to eliminate any duplication. There are not two staffs engaged in metallurgical work.

Mr. HARRIS: I do not want to be misunderstood. I did not suggest that there were two staffs in the metallurgical branch but I do say that the census of industry obtained the same line of information as is secured by the chemical and metallurgical branch of the Bureau of Statistics.

Mr. STEVENS: Is the hon. member not referring to the Mines branch?

Mr. HARRIS: No.

Mr. STEVENS: Very often two departments set up offices to obtain the same information. For example, the Customs department very largely duplicates the report of the Trade and Commerce department. I was wondering whether my hon. friend referred to the metallurgical branch of the Mines department.

Mr. HARRIS: No. They are both under the Bureau of Statistics.

Mr. STEVENS: That should not be.

Mr. KENNEDY: Is it intended to provide the Bureau of Statistics with a decent building in the near future? The building in which the bureau is now housed is pretty much of a box car.

Mr. MALCOLM: If the Minister of Public Works will provide a better building, no one will be more pleased than myself.

Mr. WARD: I represent what may be called an extremely cosmopolitan district and the enumerators in taking the census two months ago met with a great deal of difficulty in eliciting from Ukrainians any admission that they were Ukrainians. They insisted that they were Canadians. They said, "You teach us Canadian ways and you insist on our becoming Canadians, and yet you want us to admit that we are Ukrainians." We are making ourselves most ridiculous in the eyes of these people; we are not fair with them and I see no reason in the wide world why, during all these years, we should have continued the present anomaly. Simply because our forebears may have come from parts of the universe where we may be utterly unknown we are bound to describe ourselves as of this and that nationality. The time has come when, as a duty to these new Canadians, we should establish a distinctly Canadian nationality.

Mr. ROSS (Kingston): This question is one that concerns not only the newer parts of Canada but the oldest organized sections as well. No father or mother in Ontario, or any other province, though Canadian-born, can register a child as a Canadian; it does not matter whether the parentage is Canadian for two or three generations back, unless some change is made the name "Canadian" means nothing.

Mr. ROSS (Moose Jaw): During the last census this summer the Bureau of Statistics did endeavour to do some work along this line, and I believe a new definition of Canadian citizenship is now fixed. There is a regulation in this regard. The idea, I believe, is to define as a Canadian anyone born of the third generation of natives.

Mr. KAISER: Last year on two or three occasions I interviewed the Bureau of Statistics on this question, which is one I have had under consideration for some time. We should be able to define precisely what a Canadian is. It is a lamentable fact that those of us who have to write out birth and death certificates are unable to say that a man who dies or a child who is born is a Canadian; the certificate must give this or that nationality. It would be well to decide that anyone born in Canada should be regarded as a Canadian, and in our statistical tables there might be a special column to show that, with another column indicating racial origin. Certainly we should start at some point and say what constitutes a Canadian.

Mr. MALCOLM: I agree with my hon. friend. In a general way there is no reason why those of us of English extraction, those of us of the white races at least, should not be called Canadians if born in Canada. When I looked into the matter, however, I appreciated the difficulties with which it bristled and with which the Census bureau must cope. It is our desire, just as it is the desire in the United States, to have some record of the number of people from foreign countries who have become Canadians. We want, for instance, to keep track of the number of Chinese in Canada, and there are Chinese and Japanese on the Pacific coast, born of the third generation in this country.

Mr. ARTHURS: How many?

Mr. MALCOLM: I have not the figures. I think it is just as well for us to retain this information. I have no doubt the whole subject will be found quite interesting, if any hon. member cares to look into it. It has been given a good deal of consideration and I can assure the committee that I will take the matter up with the bureau before the next census is taken in 1931.

Mr. ROSS (Kingston): The minister refers to Chinese and Japanese, but he fails to appreciate the difficulty in which Canadians find themselves.

Mr. MALCOLM: I appreciate it.

Mr. ROSS (Kingston): In recording the birth of a child there is only one comprehensive definition possible, and that is Nordic. You may use that term and be perfectly safe, but you cannot call the child Irish unless both parents are full-blooded Irish. The same thing applies to Scottish people, and yet for the sake of a few Chinese and Japanese all our records are wrong. I do not know of any classification under which you would put a Canadian other than Nordic.

Mr. MALCOLM: I would suggest that this subject should be discussed under a resolution. The hon. member for Kingston (Mr. Ross) is quite right; he knows the difficulties of the medical profession, but that is a matter of provincial record, where the same difficulty arises as in the census record.

Mr. ARTHURS: I think the main difficulty in the past has been that we had a few Indians in Canada and they would be naturally the first Canadians. At present they are all

on the other side, so that we do not need to worry about them. As far as true Chinamen of the second and third generation go, I do not think that is any argument. I do think something should be done whereby a man born in Canada, one or both of whose parents were also born in Canada, should be classified as a Canadian.

Mr. FANSHER (Lambton): I see that the reduction amounts to $375,000, and I would like to know if that is wholly accounted for by the census which was taken?

Mr. MALCOLM: That was by far the largest item.

Mr. FANSHER (Lambton): The work of the bureau is not being impaired?

Mr. MALCOLM: No, it is being slightly increased. I think if the general vote were treated by itself there would be a slight increase.

Item agreed to.

Electricity and Fluid Exportation Act, administration of (export of electrical energy), $1,000.

Mr. STEVENS: Would the minister be good enough to state the amount of electrical energy exported last year; whether any new contracts were made, and if so, where?

Mr. MALCOLM: I can inform the committee there were no new contracts entered into last year, although there is one contract being held up at present at the request of the Premier of New Brunswick. The revenue has not changed much; it was $288,000 for 1925-26, and $270,000 for 1926-27.

Mr. STEVENS: How much energy is exported?

Mr. MALCOLM: I am sorry I have not the total. I have the list but it is not totalled.

Mr. STEVENS: While those figures are being compiled would the minister say whether it is increasing or decreasing?

Mr. MALCOLM: It is decreasing. There may be a slight increase in the export by the Hydro Electric Power Commission of Ontario, however. In the renewal of their contract they requested that they be allowed to export 100 per cent of their off-peak power, and the department granted that request. Their old contract only allowed them to export 75 per cent of that power, but there was no advantage in keeping them from selling the other 25 per cent, so there may be a slight increase. I can now inform my hon. friend that the export last year amounted to 289,000 kilowatts.

Item agreed to.

Gold and Silver Marking Act, $6,000.

Mr. STEVENS: There was a recommendation made last year by the special committee investigating the customs department which I think would come under this act, and I was wondering whether that recommendation has been observed?

Mr. MALCOLM: I do not remember the recommendation, and I do not believe it has been called to my attention since I came into the department.

Mr. STEVENS: I think I recall it. Certain seizures have been made of jewellery, gold and silver stamped goods, and I think the suggestion was that these goods should be turned over to the mint to be melted down into bullion rather than be sold on the market in competition with bona fide goods. Would that come under this vote?

Mr. MALCOLM: I am informed that that would not come under this act.

Item agreed to.

Honorary Advisory Council for Scientific and Industrial Research, $170,000.

Mr. STEVENS: I desire to say a word in connection with this item. I see that this vote has been slightly increased, but I want to express my opinion to the minister that after a good deal of sympathetic study of this question I believe the amount is altogether too small. I think the time has arrived when Canada should take a definite stand on the question of establishing a bureau of standards and a fully equipped research laboratory. Members of the House will recall that about 1918 a committee of this House made a very complete report on this subject and recommended the establishment of such plants here, similar to the Mellon Institute in the United States, in order that this great country with its remarkable opportunities and vast quantities of raw materials may bring science and industry together, as I heard one of the leading scientists of the country put it last week, and in order to derive the fullest possible advantage of the application of science to industry. It is too late to do anything this session of course, but I would like to appeal to the minister—and I know I am appealing to sympathetic ears—that during the coming recess a definite scheme should be worked out and if necessary a special bill introduced into this House—some time early in next session, in order that it may be given full consideration—providing for the establishment of such a bureau of standards and research laboratory in Canada. In this country we turn out some of

the best educated young men in the world, hundreds of whom go to the United States when they finish their schooling here. They each cost us perhaps from $10,000 to $20,000 for their education, then they go to the United States where they enter the big industries and where they are giving wonderful service. I am told that approximately 60 per cent of the honour graduates of one university—the very cream of Canadian young manhood, and I suppose the same thing would apply to almost all our universities—find positions south of the line after they have received their schooling in this country. At the same time we have waiting for solution in this country problems which are not exceeded by those of any other country in the world. I am not offering this suggestion in a spirit of criticism at all, but rather as a wholly non-partisan matter, something which is not political but which is national in its importance. I am offering the suggestion so that next year parliament may be in possession of some definite suggestion by the government for the establishment of such a bureau here. I have in mind this: that Canada ought to vote forthwith—not this session, I presume that is impossible; when I say forthwith I mean at the earliest opportunity —say a million dollars for the establishment of a first-class, highly equipped plant here, and then give the committee a grant of say $250,000 or $300,000 a year for its operation. Of course, a moderate fee should be charged those who use the plant in any proposition which they bring to the institute for solution. Some revenue will be received, although not enough, of course, to pay the cost. I urge the minister, if he will take the suggestion from me, that perhaps the greatest service that could be rendered to Canada during the next decade would be the erection of such a plant in Ottawa, or whatever suitable place may be chosen, and I hope that next year we may have in the estimates, or in the form of a special bill, provision for such an establishment.

Mr. ROSS (Kingston): May I ask the minister if he will leave this item over until after recess? It is one of the most important items in the whole estimate. I spoke a year ago on this work of a bureau of standards, and what it actually means to the manufacturer and to the consumer—more to the consumer than to the manufacturer. I should like to take the matter up in connection with the report of the research committee to-night.

Mr. MALCOLM: I can assure my hon. friend that I shall be pleased to leave the item over if he wishes to make any comments in line with the comments made by the hon. member for Vancouver Centre. I know the committee will appreciate the difficulty that I as a new minister necessarily experienced in taking up any comprehensive scheme in the first few months I was in charge of the department.

Mr. STEVENS: Quite.

Mr. MALCOLM: May I say that I am entirely sympathetic towards the idea. I do not believe that we have expended in Canada anything like the amount of money we might on industrial research, or even on agricultural research. There is a slight increase in the vote this year, and there will likely be an increase in the supplementaries for some work that is being arranged for. I shall be delighted indeed to hear and to consider any comments favourable to the work that hon. members wish to make in committee.

Mr. STEWART (Edmonton): Perhaps this would be the proper place to announce what is being done in Montreal. So important has this matter become to the pulp and paper men that the present quarters at McGill university having proved inadequate they have subscribed $350,000 of their own money to provide more suitable quarters which they will turn over to the university at the end of twenty years. The officials who are engaged in scientific research work in connection with pulp and paper will be established in these quarters, and we hope that possibly some arrangement may be made in connection with the wood industries generally. I wish to add my testimony to what the hon. member for Vancouver Centre has said, that no one can overestimate the value of scientific research. I think we have delayed long enough in the establishment of a central bureau here. Not only should we do that, but we should utilize the services of every university in Canada, as is done now under the scientific research bureau, and thus bring into play all those activities that will mean so much for the development of science and industry in this country and will perhaps, as my hon. friend has said, provide employment for a great many more of our young men who take this special training.

Mr. TOLMIE: I wish to say a word in support of this proposal to increase our research facilities in Canada, having in mind particularly that phase of the question which has reference to the contagious diseases of animals and the necessity of pathological research along these lines, so as to obviate the great loss from which we suffer in this coun-

try from these diseases, and effect a large saving in the compensation which has to be paid. I wish to commend the government for the construction of a large pathological laboratory near Hull, which is a step in the right direction. A few years ago we had an outbreak of disease amongst horses in the province of Saskatchewan, and in one year we paid $47,000 in compensation. The gentleman in charge out there at that time, having his headquarters at Lethbridge, was Dr. Watson, now the head of the pathological laboratory across the river. Dr. Watson was able to discover a blood test which he applied to these horses so as to diagnose the disease before the ordinary symptoms appeared. In about six years, by carrying on work along this line, he reduced the amount of compensation paid from $47,000 to $300, and the next year to $70. Since then nothing at all has been paid. Thus this work resulted in a complete saving to the country and it is only a little illustration of what it is possible to do along this line. I think that everyone who has the good of Canada at heart, and realizes to anything like a full extent the wonderful opportunities for research work in this country, will stand strongly behind any policy brought down by the government which has that object in view.

Mr. EVANS: What research work is being done in connection with the various grades of wheat?

Mr. MALCOLM: I understand that the facilities at the Winnipeg laboratory are being increased. New equipment is being added, and I hope to ask for an increase in the supplementary estimates to continue the work on an even larger scale than we anticipated when the main estimates were brought down.

Item stands.

Motion picture bureau, $35,000.

Mr. COOTE: I wonder if the minister would explain what work this bureau is carrying on?

Mr. MALCOLM: The vote is to meet the salaries of employees and the travelling expenses of officials, and provide facilities for the production of motion pictures, lantern slides and photographic enlargements. The expert technical knowledge of the staff of the bureau is now available to any branch or department of the federal government desirous of making use of its services. A great saving is effected by having all the photographic work of the department in the one building. I may say that the service to the other departments is on a cost basis. The motion picture bureau has taken a great many films which are used to advertise Canada, and which are sold under contract to exhibitors in various parts of United States and in other countries. There is of course some revenue received from the bureau. The revenue for 1925-26 amounted to $22,000. The revenue for the first half of 1926-27 was $10,500. We anticipate that by reason of some new contracts we have been able to make—our director having returned from Hollywood with certain contracts in his pocket—we shall have a largely increased revenue from the motion picture bureau this year as compared with the previous year.

Mr. STEVENS: It will be practically self-sustaining.

Mr. MALCOLM: As the hon. member says, it will be practically self-sustaining and will probably show a profit.

Mr. COOTE: Do they take only Canadian pictures?

Mr. MALCOLM: Altogether Canadian pictures.

Mr. COOTE: Have they charge of motion picture work for the Parks branch, or is that separate?

Mr. MALCOLM: The motion picture bureau does the work for the Parks branch.

Item agreed to.

Weights and measures inspection, including International Bureau of Weights and Measures, $315,000.

Mr. COOTE: What is the revenue in connection with this branch?

Mr. MALCOLM: This is another self-sustaining branch. The excess last year of receipts over expenditures amounted to $14,864. The branch has been on a revenue basis for the last few years.

Item agreed to.

Halifax elevator, towards construction of, $185,000.

Mr. KENNEDY: I thought this elevator was completed.

Mr. MALCOLM: This amount is required to provide for installation of new grain conveyors, fees for the engineer for supervision of same, and to provide for the balance due on the conveyors being installed in 1926-27, also for the engineer's commission for supervision and for any contingencies which might arise. The total amount of $185,000 completes the elevator, putting it into condition so that three boats can load at one time. The

problem with the elevator was to get enough conveyors to load the boats quickly, and new conveyors had to be installed after the elevator was equipped, taken over and operated.

Mr. KENNEDY: How much grain went through the elevator last year?

Mr. MALCOLM: I have not the exact figures, but if my memory serves me rightly about 5,000,000 bushels went through it last year and the loading was very slow.

Mr. COOTE: I understand that a harbour commission has been established in Halifax. Is the elevator to be turned over to that commission for operation, or will it be operated separately by the Board of Grain Commissioners?

Mr. MALCOLM: At present the Department of Trade and Commerce is operating the elevator. Whether it will be turned over to the newly formed Halifax harbour commission or not is a question of future policy and discussion. It has not been considered as yet.

Mr. COOTE: What is the cost of this elevator, including this last amount, and what is its capacity?

Mr. MALCOLM: The cost of the elevator to date is $808,000, including these extra conveyors. The superstructure cost practically $600,000, the foundation practically $20,000, and the balance was for equipment and conveyors. It has a storage capacity of 1,000,000 bushels, a cleaning capacity of 40,000 bushels per day, a loading capacity on cars of 60 cars per day and an unloading capacity of the same quantity. It has a boat-loading capacity of 300,000 bushels per day. Its bagging plant takes care of 24,000 bushels per day.

Item agreed to.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

DEPARTMENT OF IMMIGRATION AND COLONIZATION

Civil government—Immigration and Colonization—salaries, $265,850; contingencies, $45,000.

Mr. ROSS (Kingston): What are the increases in the staff?

Hon. ROBERT FORKE (Minister of Immigration and Colonization): The details will be found on page 79 of the estimates. There is an increase of four.

Mr. GARDINER: I notice that the minister has in the department a deputy minister, an assistant deputy minister, a commissioner of immigration and a commissioner of colonization. Will he explain the different duties of those four officials?

Mr. FORKE: I do not suppose it is necessary to give the duties of the deputy minister. There is an assistant deputy minister and a pretty large staff. The activities of the department are very wide. The deputy minister, of course, at times has to go away on different duties in connection with the department, and it has been found necessary to have an assistant deputy minister.

Mr. STEVENS: What is his name?

Mr. FORKE: F. C. Blair. There are three divisions, eastern, middle and western, and the commissioner of immigration has charge of the different divisions. The commissioner of colonization is in charge of the different activities of his department.

Mr. ROSS (Kingston): We know the definition of colonization. What are the commissioner's duties?

Mr. FORKE: He has charge of the work of placing farm labourers in positions and locating farmers.

Mr. GARDINER: I presume he would act between immigrants guaranteed positions and applicants for farm help.

Mr. FORKE: Yes.

Mr. ROSS (Kingston): Where does the work of the commissioner of immigration end and that of the commissioner of colonization begin?

Mr. FORKE: The commissioner of immigration is directly interested in attracting immigrants, which necessitates his keeping in touch with all the overseas offices of his department. The commissioner of colonization is more particularly interested in immigrants after their arrival here.

Mr. COOTE: Is not the Soldier Settlement Board now really a colonization board? And does this item include the staff of that board?

Mr. FORKE: There is a separate estimate for the Soldier Settlement Board.

Mr. COOTE: The colonization branch?

Mr. FORKE: There is a land settlement branch in connection with the Soldier Settlement Board, which is a distinct branch, although the two work in unison.

Mr. COOTE: Is there a division of work, the land settlement board looking after certain settlers and the commissioner of colonization looking after others? To an outsider there seems to be a good deal of overlapping in this department.

Mr. FORKE: There is no overlapping, although of course they may be brought in touch with each other occasionally in the course of their work. The land settlement board is more particularly concerned with the three thousand family scheme for the settling of British farmers, and other schemes. The officials are really connected with the Soldier Settlement Board.

Mr. COOTE: Could not all the work of the land settlement board and the Soldier Settlement Board be handled to much better advantage under the one department?

Mr. FORKE: They are under the Department of Immigration and Colonization, although at the present time there are three commissioners of the Soldier Settlement Board. Ultimately I hope to bring them all directly under the control of my department. I have no complaints on the score of efficiency, but I do think it would be better to have these two branches of the service under one control.

Mr. STEVENS: Hear, hear.

Mr. COOTE: It seems to me that probably for the past three years the Soldier Settlement Board has been engaged in straight colonization work. I know a great many people are asking why we need that board to carry on virtually the same work as the department of colonization. One department ought to be sufficient.

Mr. FORKE: I would point out to the hon. member that the land settlement board and the Soldier Settlement Board have practically the same officials. The supervisors of the Soldier Settlement Board look after soldier settlers and also after farmers who have come to us under the three thousand family scheme; in fact they supervise all the activities in connection with colonization. There is no overlapping, for the Department of Immigration has no officials doing that particular kind of work. Undoubtedly those officials are very helpful in placing settlers on farms and looking after them for a few years.

Mr. COOTE: Is it too much to expect that in the next year or two we shall be able to get along with fewer commissioners? The minister said there were three in the Soldier Settlement Board, and two are mentioned in this list. To an outsider five commissioners to look after our colonization work is suggestive of overstaffing.

Mr. FORKE: I should not like to say that. Of course, when we come to the Soldier Settlement Board it will be a matter of legitimate criticism as to whether it is the best possible organization for the work it handles. It must be borne in mind that I have not yet had time to become thoroughly familiar with the ramifications of my department, which extend not only throughout the Dominion but all over the United States and in many of the countries of Europe. In fact, we are in touch with every civilized country in the world. So far I see no reason to believe that these officials are not absolutely necessary. We have a commissioner for the eastern division who certainly has to cover a very large field, and the same remark applies to the commissioner of the central and western divisions. In fact, these and other men have a great deal more work to attend to than those outside the department would imagine.

Mr. GARDINER: Does this item refer only to the Ottawa officials?

Mr. FORKE: Yes.

Mr. COOTE: Has the minister the information as to the number of juvenile immigrants brought in during the past year? Or would he rather deal with this under another item?

Mr. FORKE: There were 975 brought to Ontario.

Mr. COOTE: All from Britain?

Mr. FORKE: Yes. The department gives after-care to a great many of the boys brought out, and it is a part of the duties of the commissioner to see to that.

Mr. CANTLEY: It is impossible for us over here to hear what is being said. This seems to be a private conversation.

Mr. FORKE: There were brought out to the country last year in all 1470 boys, 975 of whom came to Ontario.

Mr. ROSS (Kingston): In connection with juvenile work the minister seems to have come into collision with the Salvation Army. Will he explain why he has taken such a stand against the work of the Salvation Army?

Mr. FORKE: I cannot very well answer that question because I deny having taken any such stand. If hon. gentlemen cannot hear me perhaps it is because of my Scotch accent.

Mr. ROSS (Kingston): There is no need to laugh. This is an interesting question and I have a right to hear what the minister says.

Mr. DUNNING: There is no need to insult the minister.

Mr. ROSS (Kingston): If the Minister of Railways will come and sit over here he will see how difficult it is for us to hear.

Mr. FORKE: I will do my best to make myself heard.

The CHAIRMAN: I would ask hon. members to keep better order.

Mr. FORKE: I am anxious to give any information I can regarding the subject. I can assure my hon. friends that it is no laughing matter to me. I am quite serious at this moment. I think all hon. gentlemen will appreciate the statement that I have no inclination just now to be facetious or to indulge in humour. I do not agree with the suggestion that I have shown any antagonism towards the Salvation Army.

Mr. CANTLEY: The public press discloses beyond any possibility of doubt that there is a serious difference of opinion between the minister or his department and the officers of the Salvation Army. We want to know what are the causes of difference and what the minister has done to meet the situation satisfactorily.

Mr. ROBB: Every hon. member knows that when a minister is putting through his estimates he has prepared an outline of the work which he follows consecutively. I think we should get along much better and my colleague (Mr. Forke) would be in a more advantageous position to answer questions if we were to dispose of civil government first and then, in connection with the votes for the various societies, discuss questions in relation thereto.

Mr. ROSS (Kingston): A question was raised regarding juvenile work and in all seriousness I have asked for information. It seemed to me as though the minister were regarding the matter as a joke.

Mr. DUNNING: Not at all.

Mr. ROSS (Kingston): Immediately I ask for information hon. gentlemen opposite take me up. I am here for information and I am prepared to stay until I get it. What I want to know is quite relevant to the matter.

Mr. WOODSWORTH: If not under this item, will the minister indicate where we may discuss the general immigration policy of the department?

Mr. FORKE: It may be discussed under "immigration contingencies," which covers the whole field. But I have no objection to giving now any information in regard to juvenile work. I have here a long explanation which I do not consider it necessary to read. Coming into the department a few months ago, I was not very well acquainted with the various activities of the Salvation Army, but so far as I am concerned the first friction with that organization arose out of the fact that the Salvation Army was collecting a part of the transportation fees which had already been paid by the imperial and the federal governments. Hon. gentlemen have no doubt seen the explanations given by Commissioner Lamb regarding that statement. The Salvation Army received a grant of $25,000 for carrying on immigration work, and that seemed reasonable so long as no other organization was engaged in the same field. I found however, that there were ten or fifteen or more organizations, all anxious to assist in immigration work and all seeking grants from the Dominion government. It was impossible to give grants to all these organizations, who are doing bona fide work in furthering immigration, and the only thing for it was to cut out direct grants to any immigration association. The Salvation Army felt hurt but this decision, I can assure the committee, was dictated by no antagonism whatever to the organization in question. It was purely a matter of policy, and I do not think that either the Salvation Army or any other association can possibly find fault with the department for taking such a step.

With regard to juvenile immigration, I may observe that boys under seventeen are brought over free of charge, whether they come out to institutions devoted to the welfare of boys, or to any of the provincial organizations. The Dominion government pays fifty per cent and the imperial government the other fifty. More than that, the federal government makes a grant to the farm—such as the Vimy farm in Ontario—of $20 for each boy while the provincial government contributes a like sum. The imperial government makes a grant of $40.

Mr. EDWARDS (Frontenac): To whom?

Mr. FORKE: Either to the Ontario government or to the particular organization under whose control the boys may be. We are trying to establish farms in all the provinces, and the work is being taken up. The Salvation Army has exactly the some opportunities as any other organization. Apart from the withdrawal of the grant, the first trouble that arose in connection with the army was due to the fact that, although the transportation fees were being paid by the imperial and federal governments, the Salvation Army was collecting money from the boys after they had come to Canada. Their statement was that before leaving Great Britain the boys agreed to pay a certain sum to the Army in order that other boys should have the same advantages, while quite a number of boys came here and they said that when they signed the document they were under the impression that they were repaying the Salvation Army for their passage money. I am not making any charge against the Salvation Army, but I do say the boys were under a misapprehension, and in speaking to Commissioner Lamb I think I told him that I knew something of what it meant for a boy to come out here and work for a farmer for $10 a month Commissioner Lamb said the boy would get $20 a month, but I wonder where boys fifteen and sixteen years of age are being paid $20 a month on farms? They get about $10 a month, and when the Salvation Army collected some of that money, and perhaps most of it, there was not much left. The arrangement was that the farmer would pay the money direct to the Salvation Army, that the boy would not get it at all, and I still think this gave the boy a bad start; in many cases it might cause him to lose heart and become a failure without having had a fair chance. I know that Commissioner Lamb will not agree with what I am saying, but I have had some practical experience in dealing with boys, perhaps more than he has had. That was the whole trouble, and I do not know of anything other than that. The Salvation Army has the same opportunities and the same privileges accorded other organizations, and we are willing to cooperate with them in just the same way. I am sorry Commissioner Lamb got into the newspapers, because I do not think it did either the department or the Salvation Army any good. I have tried to make the situation as plain as I can and I think roughly that covers the whole case.

Mr. EDWARDS (Frontenac): I would like to ask the minister a question in that connection. I understand that he objects to the Salvation Army having any private arrangement with the boy who comes out under their auspices, to the effect that he will pay back a certain sum to the army in the course of a certain length of time. My understanding is that this is an arrangement or agreement between the Salvation Army officials and the immigrant boy, and I cannot look upon it as the minister does. I do not think it is a handicap to the boy; to the contrary, I think it makes him feel that he is doing something worth while in assisting to bring another boy to the country where he has found employment.

Let us consider the statement of the minister. He says it is wrong for the Salvation Army to make an arrangement with a boy immigrant whereby that boy agrees to pay a certain sum of money to the Salvation Army to assist in bringing out another boy. Let us take the case of a man coming to Canada from Italy, let us say, or some other part of continental Europe. It is a fact, as the minister must know, that there are organizations in this country which put up money for that immigrant to show when he lands here, in order to prove that he is not a pauper. That money is turned back to that organization when he lands here within a certain period of time, by arrangement; then the money is used to bring out another person. What about that principle?

Mr. FORKE: I have no knowledge of any such thing.

Mr. EDWARDS (Frontenac): My hon. friend can say that he has only been in the department a short time, and we will accept that excuse for his want of knowledge. But let me tell him something further. There is a well-established organization in New York with a branch right in Ottawa which brings immigrants to this country. Supposing I make a representation, or some other member of this House makes a representation, to the minister to allow a certain immigrant to enter this country to work on a farm. I get my permit and go to the agent of this New York company in Ottawa and say, "Here is a permit for an immigrant." He will give me a cheque on the bank in Ottawa for $50 for each immigrant I get in in that way. Does the minister not know of that fact, that there are people in this country who are simply taking the voters' list or the telephone directory, writing out a list of names and

getting permits from the department to bring immigrants into this country, which permits are turned into cash by presenting them to the agent of this New York organization? Does he not know that there is a well-established underground channel for conveying into the United States those immigrants who, for obvious reasons, do not want to stay in Canada? There is a systematized organization at work getting men into Canada under these false representations and then smuggling them across the line. It is all very well to say that this does not happen often, but will the minister tell me that he is not aware of the fact that there are firms right here in Canada—one in the city of Toronto whose name just escapes me for the moment—which put up the money and which have banking arrangements in Europe, so that the immigrant from that continent can say he is not a pauper? The company makes an arrangement with him and he not only pays back the amount they put up for him to make good in entering this country, but he has to pay as well a mighty good commission. Then that money is used again to bring in other immigrants in the same way; they have a complete organization, with a banking system on the continent of Europe and with agents here in Canada. That is going on now and has been going on for some time. The minister says that is all right; he does not object to that, but if the Salvation Army sees fit to enter into a private arrangement with a boy whom they bring to this country, in order that he may assist them in the work they are carrying on by paying back to the Salvation Army a certain amount of money in a certain time, the minister finds that objectionable.

Mr. FORKE: When I said I did not know anything about this, perhaps I did not exactly state the case, although I was speaking truthfully in one respect. I can assure the hon. member that this has been one of the great sources of trouble to me since I took over this department; it came upon me like a clap of thunder, because I never assumed that any such operations were being carried on. I have no doubt that it is being done, but every attempt of which I become aware will receive no favour and no consideration from me as Minister of Immigration. I think perhaps it is nothing like as bad as the hon. member seems to think, but I do not intend to do anything in my position as Minister of Immigration which will not stand investigation, and I hope to be able to face this House at any time and say I have done what I thought was right, and face any criticism which may result. I will make mistakes and blunders, but I want the House to know that no hon. member will ever find me entering into any arrangements of any kind which are not upright and honourable in every way.

[Mr. J. W. Edwards.]

Mr. EDWARDS (Frontenac): Lest the minister and other members of the House should be under a misapprehension, I want to say here and now that I do not doubt his sincerity or integrity for one moment. I did not question the integrity of the minister, I had no such idea in my mind, but I think that I am perhaps pretty near the mark when I say this: He has just confessed that he is new in the department. It is a very exacting department, one which requires a lot of study and a lot of work, and as time goes on the minister will appreciate that even more perhaps than he does now. Necessarily, as a new minister, he has to be more or less dependent upon his deputy. That is the case with all ministers. But I want to say right here that I have not as much faith in his deputy as perhaps he has. I did not think it was a good selection at the time the deputy was appointed. He had had no previous knowledge in regard to this department and I think, having regard to the importance of that department, the government would have been well advised to have selected a man of wider experience. The deputy is necessarily first adviser to the minister in regard to these matters. I do not believe the deputy knows anything more about them than the minister does himself. He has not had the experience, and I think that in the case of a department as important as the Department of Immigration and Colonization the minister should have been provided with a man who has had experience, more experience than his deputy has had, who could give him advice with respect to these questions.

Personally I do not think that the position assumed by the minister or the department in regard to the Salvation Army is well taken. The minister will not question the fact that the immigrant boys brought out by the Salvation Army are a good class of boys who will make good citizens. Then why should we bother our heads about any private arrangement that is made between the immigrants and the Salvation Army? We want immigrants of the proper type who will make good citizens brought to this country. At all events the class of boys that the Salvation Army is bringing out are boys who will, so far as their education has gone, have the same ideals of government as we have. They are boys who can be moulded into good citizens

very easily, and I would go quite a long way in encouraging immigrants of that class rather than a class from foreign countries whose ideals of citizenship and of government are vastly different from our own, and who may be moulded into Canadian citizens only after the lapse of some time. I would discriminate in favour of, and give every possible encouragement to, the class of immigrants who can easily be made into Canadian citizens, rather than open the door wide to immigrants whose ideals of government and institutions are very different from ours, and whom it will take years and years to turn into thorough Canadian citizens. There is rather too much of a tendency to open the door to immigrants from the south and east of Europe and to close it to immigrants from the motherland, or at least to make it difficult for them to enter.

Mr. STEWART (Edmonton): Would my hon. friend explain how the door is closed against immigrants from the old land?

Mr. EDWARDS (Frontenac): I did not say that the door was closed against them.

Mr. STEWART (Edmonton): At any rate you said it was made difficult for them to enter.

Mr. EDWARDS (Frontenac): Yes, it is made difficult for them to enter. Here is an instance in regard to the Salvation Army where I think the government have been too strict, where they have drawn the line rather tight, in shutting out immigrants who are admittedly of the class we want to get in this country.

Mr. STEWART (Edmonton): We are not shutting out Britishers.

Mr. EDWARDS (Frontenac): I think we have been too strict in regard to the immigrant boys brought out by the Salvation Army.

Mr. STEWART (Edmonton): They were not shut out.

Mr. EDWARDS (Frontenac): I did not say they were shut out. I said the immigration of these boys was restricted and discouraged.

Mr. STEWART (Edmonton): No.

Mr. EDWARDS (Frontenac): If you do not call it discouragement, what do you call it—encouragement?

Mr. FORKE: The Salvation Army boys are getting exactly the same chance as any other immigrants. At the present moment they are under no disabilities whatever. May I explain that the Salvation Army was getting a grant of $25,000 a year for its immigration and colonization work? As I tried to explain at the outset we were giving all the after-care that was necessary in regard to the immigrants that were coming in because I take this position—that no matter what organization is engaged in immigration work the department is responsible, in the final analysis, for the immigrants that come to this country. I say frankly that I do not want to transfer my responsibility to any organization. Now the Salvation Army boys are getting the same chance as others. In the matter of transportation they come across free, the federal and imperial governments still pay the passage money, but now we give no $25,000 a year grant. We give the same treatment to the Salvation Army that is accorded, for example, to the Vimy Ridge organization. I am very sorry indeed that this matter with respect to the Salvation Army ever got into the newspapers. But for that there would have been no talk whatever about any antagonism between the department and the Salvation Army. I have a great admiration for the Salvation Army, and if I may be permitted to say so I have contributed every year out of my small resources toward the work that the Army is carrying on. This matter need never have been ventilated as it has been. Personally I think the Salvation Army made a mistake in getting into the newspapers and making a noise about a matter as to which they really have no grievance.

Mr. STEVENS: Did the minister cut off the grant of $25,000 a year?

Mr. FORKE: No.

Mr. STEVENS: Is the grant continued to the Salvation Army?

Mr. FORKE: It is finished now.

Mr. STEVENS: I see, you have cut off the grant.

Mr. FORKE: I endeavoured to explain that there are church organizations, societies of all kinds, entering into immigration work. They all want some assistance. It may have been a mistake, I do not know—

Mr. CHAPLIN: How long have the Salvation Army been getting this special grant of $25,000?

Mr. FORKE: I could not tell you.

Mr. STEVENS: Your deputy can tell you in a moment.

Mr. FORKE: My deputy informs me that they have been getting a grant of a certain amount for about thirty years, but it never assumed any large proportion until five years ago.

Mr. STEVENS: Now it is cut off.

Mr. FORKE: It is cut off, yes.

Mr. HOCKEN: I have a deep appreciation of the situation in which the minister finds himself, and I am not inclined to be hypercritical about his course but rather in the greatest degree friendly. My understanding of the case is that the Salvation Army spend a good deal of money upon these boys before they ever leave the old country. The Army maintain training farms or stations which cost them a great deal of money. Now what they do, as I am informed, is this: they collect from the boys a certain sum, but that is not equal to the amount they spend on them before they start for this country. It is not the passage money that the boys repay; it is the money that is expended in preparing them to be citizens in Canada. I hope the minister will reconsider his decision, and that he will restore the grant to the Salvation Army.

Mr. FORKE: I want to explain before going any further that the $25,000 was not a grant made in connection with the boys; it was a grant for the general immigration work of the organization.

Mr. HOCKEN: No matter how the grant may be viewed by the department, if one studies broadly the work of the Salvation Army I think he will admit that there is no organization engaged in immigration work, trying to get good British citizens into Canada, that is quite as efficient as the Salvation Army. Needing population as we do and the Salvation Army being chiefly concerned in bringing out younger people, the very kind of people we want,—and I remember receiving applause from this side of the House one session when I suggested that boys rather than mature people should be brought out—I think the work which the Salvation Army are doing and endeavouring to do is the best that can be done. Why not encourage them to do that work? If there is any other organization that will undertake the same responsibilities and bring us the same class of citizens, why not give them a grant? If any other organization in England has a training depot to prepare boys for life in Canada, that work entails a heavy expense and it should be encouraged. Giving assistance in that way is much better than picking up boys in this or that town or some other part of Great Britain and bringing them out to Canada without any sorting out and without any training. My information is that many boys who are taken in hand by the Salvation Army for immigration to Canada are not sent out to this country because, during the period of training, the army discover that this or that boy is not likely to make good and so they do not send him out to us. They send out only those boys who, during the period of training, have shown that they are likely to become good citizens of Canada. I hope the minister will reconsider this matter and that this policy which he has adopted will be, to say the least, somewhat modified. Let him give the Salvation Army a liberal grant, and let him give a proportionate grant to any other organization that is doing work of the same character. Surely that is the best thing that can be done for the promotion of immigration of good quality to this country. Will the minister change his policy?

Mr. FORKE: I would not like at the present time to make any promise, because I want to reiterate that the Salvation Army is receiving exactly the same treatment as that accorded to other organizations which are dealing with boys. The department is giving them the $10 grant for every boy they train on their farm in England, and we are willing to pay, along with the Imperial government, one-half of the transportation charges. That involves a large amount of money when you figure it out for every boy coming to this country.

Mr. VENIOT: How much does the Army pay?

Mr. FORKE: The Army pays nothing for transportation. We are willing to give them the $10 grant for training the boy on the other side.

Mr. HOCKEN: That will not pay the cost of training.

Mr. FORKE: No. The British government is paying $20.

Mr. HOCKEN: That will buy only a suit of clothes.

Mr. FORKE: We are willing to pay them the $10 and we give the boys free transportation across the ocean. It is easy for hon. members to talk, but if you figure what the cost to the Dominion is, for all these boys you will find that you are not going to have

many $25,000 grants to give to organizations throughout the country. There seems to be an impression that the Salvation Army is being discriminated against. The hon. member for Toronto West Centre speaks of the importance of their work. I have nothing to say against the Salvation Army, but there are other organizations doing just as good work.

Mr. HOCKEN: And maintaining training depots in the old country?

Mr. FORKE: That have training depots in the old country.

Mr. HOCKEN: What other organization is doing that?

Mr. FORKE: They do not have training farms, but they are doing training work. We have the Ontario government entering into this work on the Vimy ridge farm in connection with the Dominion government. The Manitoba government, the New Brunswick government and the Nova Scotia government are going to go into this work and we are making the same grants to all these boys. The total amount of money paid out in assisting immigration of this character will be considerable. This is not being done in a spirit of antagonism to the Salvation Army. I criticized their collection of money from these boys; as a practical farmer I did not think it was a wise policy to adopt. But that is only a matter of opinion; I am not condemning the Army for doing that.

Mr. HANSON: Did the department not issue a statement to the press that if the Army continued that practice the grant would be discontinued? I recall seeing in the press some time ago an apparently inspired statement to that effect. That is what has created the protest against the special treatment meted out to the Salvation Army. I am inclined to think the training which the New Brunswick government proposes to give to these boys is on this side of the water and not on the other.

Mr. STEWART (Edmonton): There is a good deal of misconception about the position that is now taken as against that formerly taken by the department. Prior to the inception of the assisted passage scheme, grants were given to societies which engaged in this work. I increased the Salvation Army grant from $15,000 to $25,000, believing that the Army was a fair medium for this class of work. But the Barnardo home has been bringing boys to Canada for years and a number of patriotic associations have been doing the same thing.

Mr. HOCKEN: Is the Barnardo home still doing that?

Mr. STEWART (Edmonton): Yes. There are various organizations bringing out boys. My hon. friends will remember when in 1923, I think, we began the assisted passage scheme for boys from fourteen to seventeen years of age. Part of the passage was paid by the Imperial government and part by this government, and their transportation was absolutely free. There was no charge to any of these organizations for bringing the boys over. It was felt then that we might very well cut off the grants that were being earned by these various organizations which were engaged in this business of bringing in juvenile immigrants. The reason for that was that they were receiving from the two governments, under the assisted passage scheme, assistance which they never received before.

I am not familiar with the controversy that may have arisen over the Salvation Army; but if we are to give in a larger way than any $25,000 grant in assisting the Salvation Army to bring boys to this country, I do not see much necessity for continuing these grants. I am much interested in the attempt to work in harmony with the provincial government because this will prevent overlapping in organizations. Let the provincial government assume the responsibility of placing all immigrants, not only the juveniles but the adults as well. I tried that when I first became minister of the department. I went right across Canada, interviewed every provincial government, and said to them that if they would undertake the colonization of the immigrants who came into their province, we would be willing to pay our fair proportion of the cost of those immigrants, believing that the provincial government would have the best knowledge of and facilities for doing this work. I was however unable at the time to get the provinces to agree to that. They said: This is the business of the federal government; they ought not only to recruit immigrants, but to place them when they come into this country. I was unable to make that arrangement but I still think it is the ideal one.

Let the federal government provide an organization for the recruiting of those—children as well as adults—who may be required by the various provinces; let the federal government meet the expense of colonization; but let the work be assumed by the provincial government. My colleague is doing that in connection with juvenile immigration as far as it can be done, in an attempt to get away from these organizations some of which have been engaged in this work and some of

which want to go into it. I realize the difficulty in dealing with these organizations. This is no sinecure for any minister. I am still convinced that I was right in 1922, and if we are going to have a real immigration policy in Canada, it is the only one that will work out successfully and the one that will cost the least.

Mr. EDWARDS (Frontenac): That is not the policy which the minister followed.

Mr. STEWART (Edmonton): The reason was that with the exception of making arrangements with the provinces for juveniles, I was unable to arrive at an agreement.

Mr. EDWARDS (Frontenac): The minister under the grant gave assisted passages to those brought out by the Salvation Army and he raised no objection in connection with the matter.

Mr. STEWART (Edmonton): Not when I raised the grant to the Salvation Army.

Mr. HOCKEN: I understand the Minister of the Interior to say that the Barnardo home is bringing out children now. Will he confirm that?

Mr. FORKE: They are not bringing very many.

An hon. MEMBER: Any at all?

Mr. FORKE: Oh, yes.

Mr. HOCKEN: Is there no regulation forbidding the bringing out of these children?

Mr. FORKE: Under fourteen years of age. There was an investigation made into the circumstances connected with the immigration of boys under fourteen years of age. After that investigation Margaret Bondfield came to Canada; her verdict was against boys of that age coming to Canada, and the immigration of boys of that age has been largely stopped. Very few are coming out unless to some special home.

Mr. HOCKEN: I think it is peculiar—and I am not referring to the present minister now, because this was done before he took office—that the Department of Immigration should take the word of Miss Bondfield—

Mr. FORKE: Oh, no.

Mr. HOCKEN: That is what the minister said.

Mr. FORKE: Almost every child welfare society in the country was objecting to the immigration of children under fourteen years of age.

[Mr. C. A. Stewart.]

Mr. HOCKEN: The experience in this country will prove that we have had no better immigration to Canada than the immigration from the Barnardo home. Here and there it has been discovered that a boy did not make good, but taking the matter by and large the Barnardo home has done more good work for Canada in proportion to its opportunities and funds than any organization I know of. I am not blaming the minister, but the department does not believe that children under that age should come out. I disagree entirely with that view, and I disagree entirely with the argument that was used that a child should not come to Canada until he has received a public school education in England. If a child of five or six comes to Canada and is educated here he has a better chance of making good than if he is brought out at the age of fourteen or fifteen. I think no greater mistake has ever been made in the administration of this department than the prohibiting of the Barnardo home from carrying on the work it had performed for about fourteen years. Thousands of men who hold good positions in this country came out under the auspices of that organization. They have made good; some of them are wealthy men and are now contributing their funds to assist the organization which brought them out here. I think the department should cancel that regulation and permit the Barnardo home to use the same judgment that they have used for so many years in bringing children to this country.

The Salvation Army are bringing out a lot of immigrants. They get their passage money and are given, I think, $30 by the federal government and the Imperial government. That $30 does not pay for their training in the old country. An organization such as the Salvation Army, with its little groups and stations in practically every community in Canada, is in a better position to do good work in the matter of immigration than any other body. I see no reason why the Salvation Army should be forced to spend the money it has collected from other sources and for other purposes in the work of assisting immigration to Canada. I do not believe the $25,000 grant they have been receiving would by any means pay for what they spend upon the emigrants before they leave the other side. It is not fair to ask the Salvation Army to use their funds to advance immigration. They have given us the benefit of their widespread organizations, and they keep track of every immigrant who comes out under their auspices. It is a splendid organization and I think it would be a reasonable thing for the government to

pay this $25,000. If there is any other organization doing the same kind of work and doing it as well as the Salvation Army why not pay that organization as well? Each society or organization which is concerned in immigration should be dealt with on its merits; there should not be a blanket regulation placed over all. Some are doing well and some not so well, but each should be tested by its accomplishment and treated with some degree of sympathy, not merely to show that we recognize their good work but also to encourage them in future.

Mr. ROWE: What other organizations have received grants of this kind, and how much in each case?

Mr. COOTE: While the minister is finding the answer to that question, I want to back him up in the cutting off of grants to different societies. If we are going to carry on the work of immigration let us do it ourselves. Let us spend the money on the people we want, and not hand it over to these societies.

Mr. PRICE: What amount is appropriated for the maritime provinces? We all know that in the past the maritime provinces have suffered in this respect; they have not received the amount of assistance which they deserve. In 1923 the railway department amalgamated the various amounts spent in the various provinces under the colonization scheme, and it is practically impossible to determine what is spent in each province. What does the minister propose to do in connection with the expenditure by his department in the maritime provinces? Judging by the legislation which has been brought down as a result of the Duncan report, it has become very apparent that in Canada to-day we need a broad east and west policy, not only for immigration and for railways, but for other departments. The time has arrived for the government to recognize this important matter and in determining their various expenditures throughout Canada to size up the situation from the east to the west and from the north to the south. It is time for the government to realize that the people of Canada expect something which will bring about a real consciousness of nationalization in this country. We want something which will tend to bring about a better feeling among the people from coast to coast. Let the Minister of Immigration tell us what he proposes to do in regard to expenditures in the maritime provinces.

Mr. FORKE: During the few months that I have been in the department I have recognized that, if colonization and immigration are to be successful, the coöperation of the people of the whole country must be had. I look upon immigrants as wards of this department. It is our duty to see that they get a fair chance. This can only be done effectively by individuals and communities and the provincial governments entering into coöperation with the Dominion authorities. We have in the west what are known as community building clubs, and they are of inestimable benefit in helping new immigrants. They meet the new arrivals, encourage them, give them advice and make them feel at home. I say again to the maritime provinces: You too have got to help; the Immigration department cannot do it alone. I am anxious that something shall be done for the maritime provinces not only as recommended by the Duncan report but in the way of immigration and colonization.

Mr. HANSON: Something of real value.

Mr. FORKE: Yes. We are ready to enter into negotiations with the Nova Scotia and New Brunswick governments. I was in error in saying that we have an arrangement with New Brunswick for boy immigrants; the arrangement is in relation to the three thousand family scheme. We have an arrangement with Nova Scotia for boy immigrants. They are taking one hundred boys this year as a start, working in coöperation with my department. We are willing to enter into the same arrangement with New Brunswick—in fact, as I said before, with all the provinces.

As to settling immigrants on some of the vacant lands in the maritime provinces, I find it rather a difficult proposition. Out of surplus funds in connection with the three thousand family scheme, the government has tried to get options on some vacant farms. Wherever we can get British families assisted by a loan of three hundred pounds from the Imperial government to settle on farms in the maritime provinces we are ready to proceed. But let me say again, we must have provincial coöperation if our efforts are to be successful. I do not want to see those people lose heart at the outset by being told that they cannot make a living on farms in the maritime provinces. I have seen some of those farms, and as a farmer I say that I would not be afraid to go down there and make a living. I do not see why British farmers could not do the same. I am willing and anxious to do all I can to help the maritime provinces secure immigrants, but I ask for coöperation by the provincial governments of Nova Scotia and New Brunswick. So far I have found them willing to help me in this work.

Mr. HANSON: Then I understand the minister has not yet made any actual arrangement with the governments of the maritime provinces; he simply expresses his willingness to do so.

Mr. FORKE: Oh yes.

Mr. HANSON: I understand that Mr. Murray, the gentleman in charge of immigration work in New Brunswick, has gone to the old country. Has he made any arrangement with the minister's department with respect to this work? If so, what is it? We can only assimilate a certain number of people in my province at the beginning, but there should be no difficulty, if the organization is perfected, in making it possible to bring out families under the British government scheme and place them on small holdings in New Brunswick. They should be able to make a living there very easily from the beginning if they have had any training at all. I rather sympathize with the view of the present Minister of the Interior (Mr. Stewart) that the provinces ought to help in this immigration work, because at very little expense they can create the necessary machinery to place farmers on the land, and especially boys. There ought to be coöperation and coördination not only between the federal and provincial departments, but between the railways and the provincial and Dominion governments. I believe there is some such working arrangement already in effect. I think the minister will find the present government in New Brunswick sympathetic towards any scheme of immigration that he may propose to them. The scope of their ability to place men on the land at the beginning may be limited, but they want immigrants, and the minister will find the premier willing and ready to cooperate in any scheme that his deputy minister may propose, to a limited degree at the beginning, but gradually growing, as we all hope, to larger proportions.

While I am on my feet I should like to know if there is any contractual arrangement between the Department of Immigration and Dr. Cossar. I have known him for several years, and I believe him to be a real philanthropist. He came out to New Brunswick, bought one of the best farms at Gagetown, and placed in charge a competent man to train boys to become farmers. So far as I am aware only one boy of the large number that he has brought out has failed, and I have kept pretty close tab on the work done there. It has been a real success, but only on a very small scale. Dr. Cossar is not making any money out of the scheme; he is simply assisting boys in the old country to become farmers, and I would bespeak for him the most favourable consideration of the officials of the department. I understand the minister is going to the old country this summer, and I would suggest that before he embarks he take an opportunity of calling on Dr. Cossar to see if he cannot continue the arrangement made some years ago whereby the doctor brought out boys and trained them on his farm at his own expense with little or no assistance except from other philanthropic persons in the old country.

Mr. FORKE: Dr. Cossar brought out seventy-eight boys last year, and I am informed by the department that he is doing splendid work. We have a working arrangement with the New Brunswick government. We are in negotiation with them for a sort of three-way arrangement between the Imperial government, the federal Department of Immigration and the provincial government, but it is not in such shape that I can give it to the House. I think it is a good arrangement.

Mr. HANSON: Does Dr. Cossar get any assistance in his work?

Mr. FORKE: The boys get the regular grant for transportation.

Mr. COOTE: I would ask the member for York-Sunbury or the minister, or both of them, to tell us how they expect farmers from England to make a success of farming in New Brunswick if the New Brunswick people themselves cannot do so.

Mr. HANSON: Anybody with any gumption in New Brunswick is doing something. If the hon. gentleman will come down to the province I will show him in the county of York the most contented people on the face of the earth.

Mr. PRICE: Mr. Chairman, people in the maritime provinces are so busy filling various offices in western and central Canada that possibly they have not had time to attend to their duties at home. Farmers in the maritime provinces are doing fairly well, but I would point out that we have been handicapped down there, we have not enjoyed the opportunities of the other portions of the Dominion. For instance, the railway department is very anxious indeed to sell a long route ticket from the old country to a point in the Dominion as far west as possible. No attempt is made to detain these people or to give them an opportunity of looking over

the possibilities of the maritime provinces. If immigrants from the old country after spending some time in the prairie provinces become dissatisfied and want to come east, the railways do not give them the benefit of excursion rates such as are extended to people going west from central Canada. The Minister of Railways will bear me out when I say that from Winnipeg and points further west the rate in the summer months to the coast is reduced by something like $21.50; but if immigrants who have spent some time in the west want to come east to explore our territory they are given the munificent reduction of $1.05. This class of immigrants, the shore farmers who could make a success of shore farming in the maritime provinces, are not allowed to explore the possibilities of that section of Canada. That I think is a sufficient answer to the hon. gentleman who asked the question.

Members from the maritime provinces are practically silent just now. Let me assure the committee that we are waiting to see what will be done in connection with the Duncan report. We want to see what is to be given us. We are reserving our criticism and when the time comes we shall be quite capable of replying to hon. gentlemen in the far corner of the chamber who are just now so critical of the terms of the Duncan report. What was laid down by the Right Hon. Arthur Meighen as the remedy for conditions in the maritime provinces—the extension of the Intercolonial railway into Montreal, and development in the Atlantic region, that section of the road going to Portland—has not been taken notice of. That policy has not been carried out.

Mr. SPENCER: Mr. Chairman—

Some hon. MEMBERS: Order.

Mr. PRICE: I do not wish to be interrupted.

Mr. SPENCER: I rise to a point of order

Mr. PRICE: I have the floor and I do not wish to be interrupted at the moment.

The CHAIRMAN: The hon. member has risen to a point of order.

Mr. SPENCER: I submit that we are discussing immigration estimates and not maritime rights.

Mr. HANSON: The point is ridiculous.

Mr. PRICE: I have not bored this House with such lengthy criticisms as some of those who at this moment would like to interrupt me have indulged in. I say that the policy laid down by the Right Hon. Arthur Meighen —and I am not getting away from the immigration question—with regard to conditions in the maritime provinces, has not been carried out. So far as the maritime legislation introduced by the government at this session is concerned, we are willing, at least I am, to give the government credit for having to some extent complied with the recommendations of the Duncan report. If we have been successful in getting from the government some concessions the Duncan report has been very largely responsible for it, because the government of the day was committed to the recommendations of that commission, and the Prime Minister was committed to it. And the report gives only a faint idea of what we would have received had the Right Hon. Arthur Meighen been returned to power.

Mr. CANTLEY: Some time ago I asked the minister for information regarding a matter which has been the subject of considerable discussion in the newspapers. He dealt with it, at some length, but I submit that he has hardly been fair with the House. From the correspondence that appeared in the press the public was led to understand that the Salvation Army, under their working agreement with the Immigration department had not played quite squarely, and were asking boys to pledge themselves to return after they had come out to this country or as soon as they were able to do so, certain sums which it was represented in the press had been advanced by the government. The public were also given to understand that the minister had taken the attitude that the Salvation Army could not enter into agreements of that kind with the boys and that in consequence of that opinion the army were forced to withdraw from immigration work in coöperation with the government. I understand from the reply given by Commissioner Lamb that the Salvation Army, in addition to the amount they received from this government by way of assistance to immigration work, have spent large sums of money in the aggregate on boys coming into this country. That money has been devoted to the education of the boys in various ways and particularly to the procuring of their outfit. The boys before coming to Canada were asked to sign an agreement to return to the Salvation Army, when and as they were able to do so, such moneys as had been spent on their outfit and possibly part of their upkeep prior to their arrival here. The minister did not make that clear. I ask him now whether he considers that a fair statement of the situation, on the part of Commissioner Lamb, and, if it is, whether he thinks there is anything wrong in

the Salvation Army taking such a course? The minister gave the House to understand that it was a matter of opinion. Well, if it is only a matter of opinion that is hardly good enough ground on which to base such an order as was made in this matter. I know of no better way in which you can help boys to become independent men later on than by enabling them to pay their way. Let us make it possible for every one of these boys later on to say, "I paid back all that was spent on me prior to coming to Canada. I am independent of any man. I paid my way, I am not a pauper owing any organization in the world. I stand on my own feet." If the minister persists in the course he has taken I think he is making a mistake. I ask him now for a clear declaration of policy in this matter. So far he has not given it.

Mr. FORKE: I thought I had explained the matter as fully as I could. I did not think that any statement had been made which I had not tried to answer. The Salvation Army takes the boys to its farm in England and gives them probably six weeks' training. They get a grant from the imperial government of $20.

Mr. ROSS (Kingston): Is not that a bonus?

Mr. FORKE: It is a straight grant for training. This department is willing to give $10 also for every one of these boys. That is a standing offer. This $30 is to look after these boys for six weeks. There is no doubt that many of these people are doing voluntary work which exceeds that $30 and for which they should be given credit.

Mr. CANTLEY: Will the minister allow me a question? He says that is all, but is it? Is it not a fact, as Commissioner Lamb asserted, that they outfit the boys at a cost of between £12 and £15, in addition?

Mr. FORKE: My deputy informs me that the British government also makes a contribution.

Mr. CANTLEY: That is not an answer to my question.

Mr. FORKE: I am trying to answer it. The British government also makes a contribution towards outfitting the boys. I do not want to do any double twisting at all; I want to answer every question as fairly as I can. The Imperial government and the federal government pay the cost of the passage of these boys across the ocean, and there is no discrimination against the Salvation Army in any way that I can see. We are ready to put up a lot of money if the Salvation Army take advantage of the offers made in regard to these boys. A great deal has been said about the statements that were issued in this matter and I would like to read the only statement put out by the department.

Mr. ROSS (Kingston): Was this statement issued prior to the statement of Commissioner Lamb?

Mr. FORKE: Commissioner Lamb made a statement purporting to be a letter issued from the office in Montreal, if I remember rightly, and that is the first time the matter got into the papers. We made no statement until Commissioner Lamb issued that letter.

Mr. ROSS (Kingston): I want to make it clear, because I have some remarks to make later. Did the department make their statement first?

Mr. FORKE: Not in the public press; there was a private arrangement made and negotiations were carried on in my office, but no statement appeared in the public press until Commissioner Lamb made that statement by releasing a letter from Montreal. I was sorry Commissioner Lamb released that statement, because he placed the matter before the public when there was no need for it. I have no hard feelings against the Salvation Army—I feel that I would be on the most friendly terms with Commissioner Lamb if he were here—but I think the public are making the most of it.

Mr. ROSS (Kingston): What was the substance of that letter released to the press? Will the minister read it?

Mr. FORKE: It was a statement of their side of the case, that they were doing a splendid work and were taking care of these boys for a number of years after they came to Canada. It was his explanation in regard to the money being collected from the boys. I do not recall all that was in that letter but I believe that pretty well covers it.

Mr. ROSS (Kingston): Was it not a simple statement that the arrangements between the department and the Salvation Army were broken? Then the department issued a statement which was followed by another statement by Commissioner Lamb in detail, to which the minister now objects.

Mr. FORKE: I do not recall that; I think what I have stated to the House covers the whole question just as fairly as I can possibly give it from memory. I have a state-

ment here contained in a letter written to Commissioner Lamb just before he went away, with regard to the negotiations which were being carried on. I will read the paragraph which deals with these boys.

The department will not consent to your making collections from boys of this class for reasons which have been fully explained. We have found that these boys almost without exception, believe they are refunding transportation loans provided by the Salvation Army. It makes no difference whether the collection is regarded as a refund of a loan or as a contribution to the cost of the Army's immigration machinery in Canada. No other society bringing boys to Canada requires either refund or contribution and the practice of collecting is unsettling to the boys and means that those who migrate through the Salvation Army are under a financial handicap of from $70 upwards.

That is just a plain statement of fact; it is not antagonistic, but it is the statement of the view taken by the department of the arrangement made between the Salvation Army and these boys. It is simply a matter of business; it may have been good policy or bad, but it was not done in any spirit of antagonism. We carried on negotiations with Commissioner Lamb without bitterness and I think I am giving the House all the information I have from memory.

Mr. ROWE: Mr. Chairman, some time ago I asked the minister a question, and I think he has been given sufficient time in which to consider it. My question was what other organizations and societies have had similar grants cut off, and the amounts of those grants.

Mr. FORKE: The British Immigration and Colonization Association, of Montreal, and the Scottish Immigrant Aid Society. They have been getting these grants but they will be cut off this year.

Mr. HANSON: Is that Father MacDonnell's society?

Mr. FORKE: Yes.

Mr. ROWE: What society was that?

Mr. FORKE: That is the Scottish Immigrant Aid Society, which brought out some Hebrideans and others.

Mr. ROWE: A short time ago the minister said that all societies similar to the Salvation Army, which have been doing similar work in Canada with similar grants, had been cut off. I asked him for a list of those different societies and organizations and the amount in each case.

Mr. FORKE: There were the two societies, the British Immigration and Colonization Association and the association of Father MacDonnell, the Scottish Immigrant Aid Society. These two societies have been getting grants until this year, but they will be cut off, and there are no other societies getting grants.

Mr. ROWE: Are these not commercial organizations?

Mr. FORKE: No.

Mr. ROWE: What was the amount?

Mr. FORKE: Rev. Dr. Smythe is the head of the one organization and Father MacDonnell is the head of the other. They are both doing purely immigration work.

Mr. EDWARDS (Frontenac): What salary does Rev. Dr. Smythe get?

Mr. FORKE: My deputy informs me that he does not get anything from the department.

Mr. EDWARDS (Frontenac): What salary does the other reverend gentleman get?

Mr. FORKE: I do not know exactly.

Mr. EDWARDS (Frontenac): Shall I tell the hon. gentleman? He gets $1,800.

Mr. ROWE: I do not feel satisfied that I have an answer to my question yet. I asked for the amount in each case.

Mr. FORKE: The one society received a grant of $5,000, while the other was paid $5,000 a year for the past four years.

Mr. WOODSWORTH: Since the discussion on this item has broadened out into a consideration of some of the policies connected with immigration, there are a few points to which I should like to draw the attention of the minister and the House. The hon. member for Toronto West Centre (Mr. Hocken) expressed himself a few moments ago as very strongly of the opinion that the department should reverse its policy with regard to child immigration. May I point out that the Canadian Council on Child Welfare has issued a memorandum in which it states:

Might we point out that Canadian child welfare opinion is as unanimous in opposing unaccompanied immigration to Canada of juveniles under fourteen years of age, as it is in opposing the continuous or the permanent employment of children, below this age, in any of the production enterprises of the Dominion.

And after quoting the Bondfield report the memorandum says:

The Canadian Association of Child Protection Officers, comprising the governmental offi-

cials engaged in child welfare work throughout the Dominion, the Council for Social Service of the Church of England in Canada, the National Council of Women in Canada, the Imperial Order of Daughters of the Empire, the Trades and Labour Congress of Canada, the Social Service Council of Canada and the Canadian Council on Child Welfare, have all devoted special attention to the subject of juvenile immigration in the last five years and have issued special findings thereon. We would draw your ateention to the fact that they will be found in agreement in their attitude to this present regulation.

It seems to me, Mr. Chairman, that the department is to be highly commended for the stand that it has taken in this matter.

Further, with regard to the Salvation Army I take it that it is not a question as to whether or not the Salvation Army may be doing good religious work. It is a question as to whether or not the government should continue to give special privileges to one particular religious organization. The Army has been receiving certain special privileges, and I would say, as one who has been fairly closely identified with immigration work for the past twenty years, that although some very fine people have undoubtedly come out under the auspices of the Salvation Army, on the other hand there are very large numbers who have been quite unfitted for positions in this country and some of these have become a perpetual load upon Canada. It seems to me, therefore, that the department is to be condemned not so much for the action it has now taken, but rather for not earlier having taken action along this line. The sooner we come to the position indicated by the hon. member for Macleod (Mr. Coote), cut off the grants to these various religious and private organizations and devote whatever money we are spending in that way to our own immigration service the better it will be for all concerned. Otherwise we are apt to have friction as between one and the other of these various private agencies. Anyone who has read the correspondence and the memoranda exchanged between the Salvation Army and the department will, I am inclined to think, be on the side of the department in this matter.

Again I should like to emphasize, that the department still seems to be content with bringing immigrants to this country without going into the question of thoroughly rooting them in Canada. I know the officials claim to place them, but the immigrants do not stay placed, partly because many of them are quite unfitted for the positions to which they come. In my own city of Winnipeg we have had within the last few months a very strong protest from the Social Welfare Commission of the city in which they indicate the very large numbers of recent immigrants that are being supported by the city. I have under my hand scores of protests of this character which would take me an hour to read. They are from almost every labour organization in the country, because these quickly feel the effect of immigrants in an already congested labour market. I have also protests from a large number of other organizations. I think perhaps I might give this, from the Edmonton Board of Public Welfare, as very typical of a large number that have come to hand:

> We find that the immigrants come to the west with the idea of farming, and all those brought out and assisted in passage come on this understanding. The fact that these men have drifted into town and are asking assistance from this municipality is prima facie evidence of their failure on the land. We have been unable to place these men in almost every instance in anything but temporary unskilled labouring jobs.

It would seem to me that the existence of a large number of cases of this kind is the best evidence we have that the policy of the Immigration department has not gone far enough, and I take it that whatever may be said with regard to the welfare of the immigrants, we in Canada must stand for the preservation of our own standards of living. There is not the slightest doubt that the dumping of a large number of immigrants into this country has very much accentuated the problem of unemployment in Canada.

Now the next point—and I am going to be just as brief as I can in bringing these matters to the attention of the department—is the prevalence of misrepresentation on the part of immigration agents on the other side of the water. Again and again I have asked questions of the minister with regard to these matters, and have received rather evasive replies. Here is a typical advertisement, from an old country paper:

> 14,000 Single Men Wanted
> For Farm Work in Canada
>
> With and without experience. Assured employment and good wages.
>
> Also families, domestics and boys.
>
> Apply,
>
> Chas. R. Compston and Son,
> 65, Church Street, Lancaster.

The advertisement goes on to state that a Canadian Pacific representative will be in attendance to select suitable applicants at reduced rates. Now, Mr. Chairman, I submit that it is not fair to the intending immigrant to suggest that if he comes to this country without experience he is going to get anything like steady work on the farm. Even the man with experience is not going to get work the

year round on the farm, the inexperienced man is certain not to get it. The result is that thousands of these men come into our large distributing centres in the west just as soon as the harvest is over. The good wages offered do not convey any idea as to the real conditions here in Canada. The minister when I asked him a question along this line a few weeks ago said, "Oh, we cannot become responsible for all that the agents might say over in England." I urge that the minister in this country ought to be responsible. I am glad to say that as the result of questions asked on the floor of this House the authorities in the British parliament undertook to discipline some of the agents in England, and that can be readily done if the department here is alert. These advertisements inserted in the old country papers undoubtedly are misleading, and a great many people are induced to come to this country who, before they have been here very long, find themselves out of work and soon become dependent upon charity.

As to the character of the men who come to Canada, here, for example, is one out of a score of clippings I have from old country papers. I note that some hon. gentlemen seek to interrupt me. I think, Mr. Chairman, I gave place three or four times to some of these gentlemen in the corner to my right. Surely it is not necessary that desks should be banged during my remarks at this time. If the gentlemen cannot give any better reply than the banging of desks they could do that much more suitably outside rather than in a chamber that is supposed to devote itself to deliberative work. As to the character of the men employed I should like to refer to one or two statements given in the old country papers as affording some idea of how this problem of immigration is regarded in the old country. Here is one paragraph:

> Forty-five young men, all of whom have been on the "dole", left London to-day in charge of the Canadian National railways en route for Canada, the first-fruits of the Ministry of Labour's farm training scheme, by which it is hoped to transform groups of unemployed single men into successful settlers overseas.

And again:

> The men of this party all come from cities and towns, and are without previous agricultural experience. Before being accepted for this scheme they were carefully selected by the Ministry of Labour, and were approved by the Canadian Department of Immigration both before and after training. Some who on going to Claydon were under weight from lack of nourishment, have gained nearly a stone of solid flesh.

I have every sympathy with those who have been on the dole and others in the old country who are so reduced that a few weeks of help in a training colony will put them into better condition; but I would urge that men who are picked up on the streets of the big cities in the old country are not likely to make the most successful farmers out on our western prairies.

Mr. COOTE: Maybe they would be all right in New Brunswick.

Mr. WOODSWORTH: It is suggested that they might be all right in New Brunswick. I sometimes wish that the government would dump into the eastern provinces as many people and of the same class as they have dumped into the west. It would not be long before we had some decided protest from the east with regard to the immigration policy of the government. It is all very well for men in England to think of immigration as a means of getting rid of those whom they do not know what to do with there. Let me read a paragraph from the speech of Mr. Amery as given in the House of Commons as far back as the 27th July, 1925. Discussing the immigration problem he said:

> I am tempted to read a few homely sentences from one west countryman's letter:
>
> "I have quite a good farm. I have a real good cow and a calf, 18 chickens and one cock."
>
> All these supplied to them.
>
> "I bought one pig which is due to have little ones next month.
>
> I see the papers in England say one cannot get work in Canada. I have five farmers after me to work for them. In any case I am downright pleased with my place and can make money out of it".

That is given as an example of a successfully placed farmer. He may make good; but I would suggest to any one who knows the prairie farms of the west, that one cow, a calf, eighteen chickens, a cock, and a brood sow, are not quite enough to start in on with any hopes of making a success. We ought to be practical in this matter. I can understand that kind of thing might appeal to people who are accustomed to allotment gardens in England and who have other ways of supplementing what they make out of those gardens, but we must recognize the actualities of life in the west.

Moreover I would point out that a very large number who are coming to this country not only were mechanics in the old country, but are rapidly finding themselves pushed into the industrial field in this country. Only a few days ago I had a letter from the mining district in the Crowsnest pass stating that already the newly arrived immigrants of this year were crowding into the mining areas where already there existed very serious un-

employment. About a year ago I noticed in a paper called Canada published in Great Britain a report of certain speeches made by one Lieutenant-Colonel Robins. Among other things he said:

> Ontario's industries, as well as its agriculture grow steadily, and we can find room for good artisans or mechanics as well as for trained farm hands who have been forced by home conditions to become dole drawers.

The purpose evidently is to bring out not merely farmers but mechanics, whether or not there is room for them in this country. Let me urge that notwithstanding what many boards of trade and railways may state, the immigration of large numbers of people to Canada is not the economic solution of our problems. It is frequently said that if we only have more people, we shall have more consumers in this country. Simply by multiplying the population of Canada by two or three, without altering the fundamental factors existing at any given time, does not offer any real solution of our economic difficulties. It is quite true that the railroads may be able to profit by the fares of these people; it is quite true that if the immigrants have capital, certain real estate or land colonization firms may profit, but that is not a real solution so far as the people at large are concerned. If we are to have immigrants, I would urge that we remember that we ought to be willing to assume the social responsibilities which their coming involves. We in the west have had a heavy load to carry in endeavouring to assimilate the newly arrived immigrants. We have again and again petitioned, for example, that we should have help with regard to the upkeep of unemployed immigrants. We have also urged that we should have help with regard to sick immigrants. I have under my hand a letter from the superintendent of the hospital at Winnipeg, but I will not read it, because some hon. members may think it is only western propaganda. I will read instead an editorial from the Montreal Gazette in the hope that it may appeal to some of the eastern men more than protests which we might bring from the west. In an editorial under date of February 6, 1926, this statement is made with regard to immigrants and hospitals:

> If the city is not responsible for the care extended to its immigrant population by the hospitals, then the obligation falls back upon the department of the government which brings these people to this country. . . . The immigrant, until he is able to take care of himself, or can assert some right of citizenship, is morally, at least a ward of the department which brings him into the country; certainly that department has no right to disclaim responsibility and remain inactive when the immigrant, in sickness and penury applies to Montreal hospitals for treatment,

That is the way some in Montreal feel about the question. We in the west have felt that way for a long time. I would simply repeat, without elaborating this point at all, that if we are going to bring in immigrants and believe they are an economic asset to this country, the least we can do is to assume the social responsibilities which their coming involves.

I want to emphasize that contention particularly with regard to the foreign-born immigrant. I am informed by some of the outstanding officials connected with immigration that we cannot hope for any large numbers of farm immigrants from Great Britain. I am further informed that we have already largely exhausted the sources of supply in northern Europe, and that in the future we must more and more look to southeastern Europe for our immigrants. I have no particular quarrel with immigrants from southeastern Europe. Many of them are going to make good Canadian citizens; but it will take a generation before they can be thoroughly absorbed into our Canadian life, and it is cruel to bring them here and then denounce them because their religion, social life and political ideals are different from those of the Canadian people. Let us remember that if we insist on bringing in European immigrants, especially immigrants from southeastern Europe, we must be fully prepared to accommodate ourselves to the different social customs, religious practices and political aspirations which they bring with them.

There is only one further point that I venture to urge upon the government, and that is the more careful selection by the government of those who come to this country. If I understand aright, an agreement has been made with the railways by which, to all intents and purposes, the selection of immigrants is left in the hands of the railway authorities. I hope that when I sit down the minister will clear up this question. If I am correctly informed, within the last year or two an arrangement has been made with the railroads by which they undertake, almost entirely, to make the selection of the immigrants whom they think fit and have guaranteed that these immigrants will be safely placed in this country. In my opinion that is an authority that ought not to be given up by the Dominion government. The Dominion government ieself ought to examine every immigrant and ought to be held responsible

for the care of every immigrant brought to this country. I would say that the Dominion government cannot hope effectively to avoid the responsibility for the placing of the immigrant in Canada. It is all very well to say that the Canadian Pacific Railway has made a careful selection and has guaranteed employment. What does that mean? It very often means that the railway company has secured the fare of the immigrant to this country, and afterwards, if they have found him a position, it has been done by ousting somebody else from that position. Thus the problem of unemployment is no nearer a solution than before; it is indeed increased. I ask the Minister of Immigration to give us in some detail the arrangement that exists between the department and the railways, both with regard to the selection and the placing of the immigrant.

Mr. FORKE: The hon. member states that he wants an answer to that question. Which one? The last one?

Mr. WOODSWORTH: My last question. I began with some general observations, but I closed by asking the minister to give me in some detail the arrangement that exists between the department and the railways both with regard to the selection of the immigrants on the other side of the water and the placing of them in Canada.

Mr. FORKE: There is an agreement between the department and the two big railway corporations—there is no use in trying to say anything different—but I think we have the agreement in such shape that the department will control the inflow of immigrants and their character. I may say that they are doing a certain amount of recruiting in some of the countries in Europe. We have made an agreement with them that none of their recruiting agents will have any connection with the shipping agents, that no commissions will be paid to any of those men who are doing the recruiting, that they will be paid a stated adequate salary, that they will have no inducement whatever to get immigrants so far as remuneration is concerned; and they undertake to bring no immigrants in Canada who are not of the agricultural class. The hon. member for Winnipeg North Centre found fault because some of those immigrants did not stay on the farm after they were placed there. I think it would be pretty difficult to make any man stay on the farm if he did not want to. The most we could ask from any association would be that they place those people on the farms to begin with.

I am going to make a statement with reference to the lack of employment, because I think I know about as much in regard to this question as the hon. member for Winnipeg North Centre. I have never seen a spring or summer in Manitoba, my own province, where we had a surplus of agricultural labour—always a shortage. There will be a shortage next month. The farmer members of this House realize that fact. Instead of a surplus of agricultural labour there will be a shortage. Then in regard to other classes of labour, an immense amount of work is going to be carried on in Canada during next summer. Some of us are optimistic—we are not all pessimists—and I think within six weeks from the present we will see the whole question of unemployment in Canada solved.

An hon. MEMBER: For how long?

Mr. FORKE: I am no prophet and I cannot tell that. I know that when we had in Canada one-half the population that we have to-day there was a much larger percentage of unemployment than there is at present, and I claim that if we had twice the population the percentage of unemployment would be still less. Therefore an increase in population does not necesarily mean unemployment. I sympathize with the views of the Labour people, but they are afraid that if a labourer comes into this country he will put out of employment some other labourer in Canada. It does not work out that way. I have had some experience in regard to employment outside of farming. If we get the right class of people in Canada, people who are physically fit and are not afraid to work, the whole question of unemployment will solve itself. There will be some trouble next winter. Did hon. members ever see a winter which was entirely free from it? It is a concomitant of winter conditions in this country. We will have a certain amount of flotsam and jetsam; there is pathos and tragedy, and also humour, in this matter of immigration. I know that some things happen that are deplorable, but they will happen in connection with any immigration policy you like to adopt. There will be always a certain number of misfits, but is that any reason why we should not want people in our great wide open country, which indeed is waiting for people to take advantage of the opportunities offered to them when they come here? I would not have accepted the position of Minister of Immigration had I not great faith in the country and did I not believe that we could prosper with a much larger population

than we have. We need a greater population. I am attempting, with the little ability that I have, to carry on a policy of colonization that will, as far as is humanly possible, fit the immigrants into the places available for them. I cannot satisfy the hon. member for Winnipeg North Centre. He takes a different point of view, looks at it from a different angle. But I believe I have as sane a view of the whole situation as my hon. friend has, looking at it from his angle. I do not say this with any bitterness, because I believe the hon. member is sincere. He lives in Winnipeg, and what he sees of the drift of some of the immigration gives him a view of the matter which perhaps he would not have did he live where I live and did he see conditions as I have seen them.

Mr. RYCKMAN: I do not intend at this time to attack or criticize the minister or the administration of his department. As a matter of fact I have found that there were some difficulties involved owing to the regulations. However, in the few cases that have come under my notice, if the department were approached and the matter argued out one would be apt to see the situation from the point of view of the department, and at the same time take what comfort one could out of a sane administration of the regulations. But it is against the regulations that I have a serious grievance. I know that some people who would make the very best immigrants are kept out of this country. I want the regulations changed. I want, as the minister says, a business administration of the immigration policy of Canada. One case I have in mind was that of three brothers and one sister who had established themselves in Canada and were prosperous. They wanted to bring out their brother. He was earning his own living and was quite competent to do so in Canada, but owing to the fact that he had a maimed arm, and someone did not wish him to enter the Dominion, obstacle after obstacle was placed in his way. He is here now, is a respectable citizen, and will never become a charge upon the country. But the difficulty arises that when the immigrant starts on his journey to this country he must be routed through to destination. I wonder how many of us in early life would like to have been "routed through" in some country where we wanted to establish ourselves. I do not want to labour the point, but will read what is a sad commentary upon our immigration regulations. It is a letter written by a maidservant to a former employer, the head of a very large manufacturing concern well-known throughout Canada. Under date of February 24, 1927, the girl writes:

Dear Mr. BLANK,

Do you remember Lily, who stayed with you last year for a few weeks while Eunice was having her holidays? May I ask you a favour?

I intend to bring my brother out here this spring. It would be easy for him to get the immigration permission, as he is of Swiss nationality, skilled, in good health, and would bring about $1,000 with him—but the Canadian condition is, that he has a position in view or at least that he can prove he has relations which would help him to find work.

Knowing nobody else who could do anything for him in that respect I bring the matter up to you and would be very grateful for your kind advice.

My brother is twenty-one years of age—a competent electrician, radio man, mechanic and car driver. We had a little factory (with about fifty labourers) of that kind in Basle, Switzerland, and my father was very keen that my brother should learn everything, practically and theoretically, concerning "appareillages electriques".

The great service you could do for him would be to let me have just a few lines, saying that you are interested in my brother and you would assist him to find work when he comes to Canada.

I realize that I ask much—perhaps too much—but I stress the fact that it would be merely "pro forma" and that you would not be under any obligation whatever. You would help a young man who certainly deserves it, who is earnest, industrious and does not come with erroneous illusions, but who has the firm will to set to work and to do any work if necessary. As a further asset he has a fairly good knowledge of the English language.

Thanking you in advance in my brother's and my own name for your great kindness I remain,

Respectfully yours,

LILLIE RITTER.

Imagine a man with those qualifications not being allowed to enter Canada! Or if he does come in with $1,000 in his pocket, the idea is abroad that he must be projected towards some definite spot to do some definite thing, although we are crying for immigrants. When the regulations are such that a personal entreaty of this kind is thought necessary to a man who is not in any sense interested other than from having been for a short time the employer of the girl who writes the letter, I say it is time that they were changed. Therefore I ask the minister to assure the committee that a man well educated, with money in his pocket, anxious to grow up with this country and become a good citizen, shall not be denied entrance because he cannot say: I am definitely going to be employed by A. B., and I am going to do thus and so. I know a man who, having said that he had a job as a shoemaker in a

certain town, was told that there were already a sufficient number of shoemakers in that locality. I am sure the view of our people is that anyone of good morals, well-to-do and well trained should be allowed to come in as an immigrant. In a word, we want a sane administration of sane regulations.

Mr. FORKE: Mr. Chairman, I sympathize with the hon. member, but the girl was mistaken. Of course the boy came all right. Having $1,000 in his pocket and being a Swiss, there was nothing in the regulations to keep him out.

Mr. RYCKMAN: This letter was written on February 24 last. All these difficulties in the way of entrance are well known, that you must be routed to a definite spot—

Mr. STEVENS: With a through ticket from the place of origin.

Mr. RYCKMAN: —and you must be definitely placed. Is it not wrong?

Mr. FORKE: I think there has been a mistake on the part of the writer. Some of these things we do not like to speak of too plainly in parliament.

An hon. MEMBER: Why not?

Mr. FORKE: When you discriminate between countries you create an international situation that sometimes is not very pleasant. Any man from Switzerland in good health and with a reasonable amount of money in his pocket has no difficulty as an immigrant to Canada. Just now we have opposite opinions from each end of the House. The hon. member for Winnipeg North Centre is almost afraid to see anybody coming in because he may put someone out of employment—

Mr. RYCKMAN: Is the minister satisfied that mine is the correct view?

Mr. FORKE: I admit that right away. With regard to people of various trades, some of them from southern and eastern Europe we do not look upon very favourably sometimes, although I have no prejudice against them myself. A good many of them come out as farmers, but they are handy as blacksmiths, carpenters, cobblers and so on, and some of them drift away from farming and engage in those trades. In western Canada to-day we are looking for people who will take up carpentry work, mend implements, and repair boots and shoes. Immigrants of the type I have mentioned can do that sort of work, and we are glad to get them. Of course, the regulations must be administered with decency and good sense, but you have to have regulations all the same, especially when it is realized that in Europe to-day there are hundreds of thousands of people on the dole, and I am afraid some municipalities are not above capitalizing the dole and paying the passage of those drawing such relief in order to get them out of the country. I do not like to speak disrespectfully of any class of people, but those who have been receiving the dole are not in my opinion the most desirable type to come to Canada. I have great sympathy with the old countries in their trials in connection with unemployment and surplus population and I think there should be a little latitude in Canada where we have so much room, even if we experience a little trouble in placing immigrants. I am willing to interpret the regulations as broadly as possible, and if the committee thinks they ought to be amended I am prepared to have this done. If I had no other course to follow than to adhere strictly to the regulations I should know exactly what to do, but unfortunately after the House has passed acts and regulations it provides for the minister to issue permits. And that is my trouble.

Mr. EVANS: How many concerns, industrial, religious or of any other description, have agreements with the government; what bounties do they receive; and in what fields in Europe do they operate?

Mr. FORKE: The only agreement I know of exists between the two railway companies and the government, but there is no such thing as a bounty. The province of Alberta has a commisisoner of its own in London, and he is doing the best he can to secure immigrants. There are also other organizations at work but, I repeat, no bounties are paid.

Mr. EVANS: What organizations are they?

Mr. FORKE: There is for example the Salvation Army. I cannot mention offhand the other organizations, but the churches are engaged in very good work. They are bringing in people of the right type and are helping to look after them. There is also the empire settlement scheme.

Mr. EDWARDS (Frontenac): How many immigration agents, reverend gentlemen, are engaged in Canada and the United States?

Mr. FORKE: There are twenty-nine, some of whom receive a small salary and others only expenses.

Mr. EDWARDS (Frontenac): Do they represent various religious denominations?

Mr. FORKE: They are the repatriation fathers who are working largely on behalf of Quebec.

Mr. EDWARDS (Frontenac): Then these reverend gentlemen, receiving pay from the government and recognized by the department, are all of one denomination. Am I right?

Mr. FORKE: You are right in a way.

Mr. EDWARDS (Frontenac): In what way am I not right?

Mr. FORKE: They are not engaged in immigration work in the wider sense of the term. They are interested in getting French Canadians to return to Quebec.

Mr. EDWARDS (Frontenac): A very good work, a worthy object. But am I not right in stating that the only persons in the employ of the government, reverend gentlemen engaged in immigration work in Canada and the United States, are of one religious denomination?

Mr. FORKE: Yes.

Mr. EDWARDS (Frontenac): And in connection with immigration work carried on by religious denominations there are in Great Britain two reverend gentlemen, the Reverend Father MacDonnell and the Reverend Mr. Windefeld. Is that right?

Mr. FORKE: We all know of course that Father MacDonnell has been engaged in that work, and there is one gentlemen in Europe in connection with the Lutheran immigration activities.

Mr. EDWARDS (Frontenac): There is one in Europe, a Lutheran, and Father MacDonnell, who receives a salary of $1,800 and expenses and who operates in Great Britain and Ireland. So that the only immigration agent in the employment of the government there belongs also to the one religious denomination which is represented in Canada and the United States. I have no criticism to offer; the facts are there for any man to draw from them whatever conclusion he sees fit. But I may make an observation with reference to the Salvation Army. The minister takes the ground that the boys who come into Canada under an agreement with the Army to pay back to them a loan are under a handicap. That is the word he used; it is the expression which others have also employed. They consider that such boys are under a handicap by reason of having entered into an agreement to pay back to the Salvation Army a loan they have received. I understood the minister to say that the British government advances two or three hundred pounds to immigrants coming into Canada by assisted passage and going upon farms in this country. Is that right?

Mr. FORKE: The £300 is for farm settlement.

Mr. EDWARDS (Frontenac): It is a loan.

Mr. FORKE: Yes, to be paid back in twenty-five years.

Mr. EDWARDS (Frontenac): Then, following out the logic of the minister, these men, inasmuch as they have agreed to pay back a loan to the British government, are under a handicap and should not be permitted to enter the country. Just as the boy brought out by the Salvation Army is under a handicap because he has to pay back a loan, to that organization, so the farmer coming to Canada under an agreement to pay back a loan to the British government is equally handicapped.

Mr. FORKE: The cases are not parallel.

Mr. EDWARDS (Frontenac): The one is a boy and the other a grown man.

Mr. FORKE: The boy pays back something which he will not receive again; it is gone. In the case of immigrants coming into this country with a £300 loan, they are able to purchase horses, cattle and implements. There is a little difference, I think.

Mr. EDWARDS (Frontenac): When he pays it back he will never see it again; I do not know how he is going to eat his cake and have it. He is under agreement to pay back a certain amount of money he has received; therefore he is under a handicap, but the minister says it is not the policy of the government to permit people to come to this country under such a handicap. They will not let boys come in here under any such agreement with the Salvation Army, but if men come out under a similar agreement to pay back a loan on a farm they will be accepted. I think it is fairly sound logic that what applies in the one case should apply in the other.

Mr. FORKE: I want to read another clause from the same letter to which I referred before:

> The department has no objection to any boy whose passage was provided by the British and Canadian governments out of the $80 grant, making a voluntary contribution to your work—

But, Mr. Chairman, this thing has come up on the floor of the House in a way I did not want it to come up.

An hon. MEMBER: Why?

Mr. FORKE: Because we have perhaps twenty letters at the office from some of these boys brought out by the Salvation Army in which they distinctly state that they had no idea they were paying anything but their passage money, and stating that this money was secured from them under false pretences.

An hon. MEMBER: Nonsense.

Mr. FORKE: These are the facts of the case. I did not want to mention this, but I have been compelled to bring it out.

Mr. EDWARDS (Frontenac): That is what we are here for, to compel you to state the real facts of the case and let the people judge. It is a funny thing that the department never received letters of that kind until they took action to show that they did not approve of it.

Mr. DUNNING: That is not fair.

Mr. EDWARDS (Frontenac): It is absolutely fair and the only way you can controvert it is to show the contrary. Boys were brought out here by the Salvation Army as stated by the Minister of the Interior (Mr. Stewart) a short time ago; even after assisted passage was given they were brought out and were allowed to have their private agreement with the Salvation Army. That was the case when the department was administered by the present Minister of the Interior; he thought it was all right.

Mr. FORKE: You are mistaken.

Mr. EDWARDS (Frontenac): If that was not so the Minister of the Interior is mistaken, because he said that this agreement was not cancelled or abrogated until that action was taken by the present minister. Surely that is correct. I have due deference for the opinion of the minister; he is as entitled to that opinion as I am entitled to mine. I believe this is a mistake; I do not think that in the wider sense the boy is under a handicap even though he has an agreement under which he is to pay back to the parties responsible for taking charge of him, for giving him a certain amount of agricultural education and for outfitting him, a certain amount of money. When that boy enters into an agreement to pay back a small sum as he makes the money in Canada, I do not believe he is under any handicap, especially when the money is used to permit the Salvation Army to carry on the same kind of work and bring another boy to this country. That is my view; the minister may take the opposite view, and he is certainly entitled to his opinion. I believe the Salvation Army did splendid work for Canada in bringing out boys who will make the very best class of citizen, and I repeat what I have already said, that a great deal of latitude might well be given to any scheme intended to bring out that class of immigrants. If restrictions are to be placed in the work of immigration and if organizations are to be discouraged from doing this work, those restrictions might well be directed to those nationalities which we find it difficult to assimilate and Canadianize.

Mr. ROBINSON: I would like to ask the minister if, under the immigration laws of Canada, it is a criminal offence for an American aviator to make a forced landing in Canada at a place other than one specified by the department?

Mr. FORKE: You are away beyond me.

Mr. ROBINSON: I did not think that was the case, but I wish to read a letter to the House having to do with a case at Detroit, in order to show the House how the American immigration officials treat British aviation officers. This letter is from Doctor Trenholm, a gentleman whom I have known in Windsor for the past four years. His son was a lieutenant in the air force overseas, and the circumstances of the case will be explained by the letter which is under date of March 27, 1927:

> I am writing to you in relation to Lieutenant Robert Trenholm a member of the Canadian air force, also with a certificate "air engineer" from the air board, and holding a license to operate an aeroplane for commercial purposes. This officer, having discovered his rear controls dragging, due to defective tail skid, made a forced landing on Packard aviation field, January 25, the same day the United States planes flew to Ottawa, and before landing asked permission from an officer to get off the landing field and go to the repair shop for his skid. This request was not refused him, and as his engine was still in motion he added a shot of naphtha and hit into a Ford car belonging to said officer, it having been secretly brought up under the radiator and obscured from the vision of the aviator. Thinking his engine was going to pieces he jumped from his machine and was immediately arrested. Charges under first, section 8, United States immigration law, was preferred "for smuggling aliens", and verdict of "not guilty" rendered March 12, 1926; second, section 10 of the United States immigration act, "for landing at a place, Packard aviation field, a place other than one designated by the Immigration Department of the United States", a verdict of "guilty" and one year and $1,000 fine given as sentence.

Then Doctor Trenholm asks that the department take up the matter and see that he has his plane and his clothes returned to

him. I also have a column which appeared in the Border Cities Star having to do with this matter, complaining bitterly of the treatment given this officer, which says:

After hearing the evidence the jury, headed by Miss Ripple, foreman, retired at 11.30 a.m., returning four hours later. They had heard character evidence from several prominent border cities residents, who spoke highly of Bob and Judge Simons, in his charge, said that this evidence was acceptable. On the jury's return, after four hours' deliberation, Judge Simons said that they should have been able to reach their decision in fifteen minutes. . . .

Commenting on the verdict this morning, Mr. Frick. . . .

Who is the high officer in the Immigration department at Detroit.

—said he believed it to be inconsistent and expressed confidence that the sentence would be set aside if a new trial, which he is requesting, is granted.

Since that time the court has refused leave to appeal, and I understand that in that case the government could take the matter up directly with Washington.

Mr. FORKE: I think that it a matter for our minister plenipotentiary at Washington.

Mr. ROBINSON: I agree with that, but the point I wanted to bring out was that this was done under the immigration laws of the United States.

Mr. COOTE: I would like to say a word or two with regard to the question of appointing the railways of Canada as our immigration solicitors. I have no doubt they are very good at soliciting immigrants—

Mr. FORKE: Before my hon. friend goes any further I will give him a fair start and remind him that these immigrants must pass the immigration officer at the port of embarkation.

Mr. COOTE: I am glad to be informed of that, but I did want to point out that the heads of these railways never miss an opportunity of stressing the fact that what Canada needs is more immigrants. I was rather struck last year to see in the Canadian Railway Employees' Monthly the statement that the number of railway employees in Canada in the year 1913 was 178,652, and in 1923 it was 178,052. In other words, there were 600 fewer railway employees in Canada in 1923 than in 1913, and they were able to handle 34,000,000,000 tons of railway freight one mile in 1923 as compared with only 23,000,000,000 tons in 1913. Now this is the question I want to put, through the minister, to the railways that stress the need of immigrants: If the railways themselves employed 600 less men in 1923 than they did in 1913, how do they expect we are going to handle all the immigrants they want to attract to Canada in a period of ten years?

Mr. DUNNING: Will my hon. friend permit me to answer his question? The hon. gentleman gives his own answer in the increased tonnage. Somebody produced it.

Mr. COOTE: We are bringing in immigrants annually at the rate of 135,000, according to the figures for last year. I think these figures are fairly indicative of other industries. For instance the same article goes on to say that in 1910 the manufacturing establishments of Canada were employing 515,203 men, and in 1921 they were employing 517,141, an increase of about 2,000 in ten years. Apparently the railways think that agriculture can furnish a living to immigrants without number. May I also quote something on that point? This is taken from a bulletin published by the Canadian Pacific Railway, entitled, Agricultural and Industrial Progress in Canada. It says:

Agriculture the world over has developed through the crude, ruthless directive agency of the law of supply and demand. The farmers have, in obedience to this law, for several decades, suffered through demoralized prices due to an over-supply of agricultural products.

Now there we have the admission, from what I think may be the greatest authority on immigration, that over-supply of agricultural products has demoralized the farmers' prices. And yet these railways persist in trying to get the people and the government of Canada to bring in more farmers. They persist in trying to persuade our government to spend money in placing more farmers on vacant land to increase the supply of products.

May I quote again from another authority, Mr. Irving Fisher, Professor of Economics in Yale university. He is speaking of the condition of the farmers in the United States and he says:

Just at present the farmers will help themselves better by asking the bankers to discourage the colonization zeal of the railroads, and to check the activities of local immigration bureaus and commerce boards in rural communities. They should seek means to regulate acreage to the necessities of supply and demand. To this end they should get all needed help to organize the farmers on a national scale.

At Washington it would be in order to review the government policy of encouraging increased production on the farm.

I am only reading a few sentences because I do not want to delay the committee. Professor Fisher winds up this article by saying:

More than anything else, price stabilization, disarmament and a lowered tariff will help the farmer.

Now I want to quote a few lines from the greatest authority, outside the Canadian Pacific Railway, which exists in Canada. That is the Farm and Ranch Review, of Calgary. They say:

> The opening up of vast areas of virgin wheat lands in Canada and the United States during the past seventy-five years demoralized world prices temporarily.

Then they go on to say:

> This condition is, however, being overtaken at a rapid rate and cannot, of course, ever arise again.

I should like to know why it cannot arise again if we, by our immigration efforts, open up vast areas of land in northwestern Canada? I know that we cannot prevent some of these areas from being opened up, but I say that the sensible thing for the government to do would be to let the situation alone. Let it take care of itself in a natural manner and do not try to force immigration into one particular channel. I think it is unfair to agriculture that at this time, when agricultural prices, largely owing to the efforts of the farmers themselves, are beginning to get into a little better position, the government should carry on a propaganda to bring vacant lands under cultivation, thus increasing the supply of agricultural products and, as the Canadian Pacific Railway bulletin clearly points out, making it more difficult for the farmer to market his products at a price that will give him a reasonable return. I do not want to delay the committee; I have tried to make my remarks brief, but I must say that I think the farmers of Canada are entitled to the same treatment that all other classes in this country are entitled to.

Mr. ROSS (Kingston): I think from what we have heard to-night that the minister is quite a bit to blame for the situation which has been the subject of discussion. Personally I have no fault to find with the department. The officials have always treated me very courteously, and in presenting a case to them accompanied by the necessary information—which I have done only on four or five occasions—I have received satisfaction. But in regard to the treatment of the Salvation Army I think the committee will come to the conclusion that the minister has got himself into trouble. This agreement between the Salvation Army and their clients has been in operation for years, and no person has found any fault with it—in fact the immediate predecessor of the minister informed us that he was so well satisfied with the work of the Salvation Army that he increased the grant to them. The present minister now comes in and finds fault with the Army. In this connection I do not make use of the word "antagonism." The minister, however, used the word four or five times. Perhaps it would be right to say that he was in a collision and that a misunderstanding took place. The Salvation Army officials came out with a strong protest after the minister had made a statement. Now the minister finds fault with them for ventilating the matter in the press.

Mr. FORKE: No; they made the first statement. The Salvation Army published the first letter, which appeared in the Montreal Star.

Mr. ROSS (Kingston): We can take up the question later; we can discuss it on the minister's main estimates—I am only after information to-night. But I should like to get the minister into a friendly state of mind again with respect to the Salvation Army and have their work go on. I am going to ask him in a few minutes for information which I think will prove that the Salvation Army has been one of the very strongest and best factors we have in carrying on our regular immigration and colonization work . How could the Salvation Army do otherwise in relation to this dispute than they did? They could not have the matter ventilated here, except through some member. The press was the only medium through which they could give expression to their views. Personally I have no antagonism towards the minister, but I think, he alone has been the cause of the present situation. When he leaves the department there will be another minister of immigration, and I will guarantee that one of the first things the new minister will do will be to try to restore friendly relations with the Salvation Army. I should like to see this work go on, and I am going to ask the minister now for certain information—if he has not the information at present he will have it when we come to deal with the main estimates. I should like a comparison of the number of boys or juvenile immigrants brought to this country by the Salvation Army with those brought in by any other institution or association and with all institutions or associations which have operated at any time in connection with this work. I think those facts will indicate to the House the importance of the work done by the Salvation Army. They have done a work too with which I do not think anyone can find any fault. The class of immigrants which they have sent out from the old country has been as far as possible a selective one, and

as they are in a position to know thoroughly the characteristics of these boys, they bring out to this country the proper ones.

Mr. FORKE: I have that information with me but I would prefer to give it in fuller detail later. I would like to make this statement, because there have been so many references to the unfriendly relations between myself and the Salvation Army: If Commissioner Lamb comes back to Canada, I hope the hon. member will interview him and find out whether there are any bitter relations between Commissioner Lamb and myself. I have no unfriendly relations with the Salvation Army. I admit of course there is a difference of opinion. Perhaps I have been wrong and perhaps I have been right. I shall be glad to give in full detail the information which the hon. gentleman asks for, but I should like to say that if I have done anything since I have become Minister of Immigration, it has been to speed up immigration work, and I am only making a beginning.

Mr. CANTLEY: I understand the minister is still of opinion that the Salvation Army to some extent misled these boys. That may be so or it may not. I presume the Salvation Army are now under suspension and being disciplined. How long is the minister going to continue the suspension? Is he prepared to enter into a new agreement with the Salvation Army a year from now or at any other time? I have not yet joined the Salvation Army. This parliament or agencies under its control have attempted to change my religious persuasions twice within a few years, once very recently. My anxiety in regard to this matter to-night is not due to any intention on my part to make a change and to become a member of the organization which we have been discussing. But I would like to know if the minister is likely to reconsider his decision.

Mr. FORKE: I cannot say what I will do in the future, but I would like the impression removed that the Salvation Army are under any discrimination. They are not in as favourable a position as they were in regard to a straight money grant, but they are in exactly the same position as any other organization bringing boys out to this country. We will leave the future alone in the meantime. I would like to point out also that there is a difference between the Salvation Army and the immigration society of the Salvation Army. The one is a branch of the other, but they are being carried on as entirely different organizations. The immigration society of the Salvation Army enter into the shipping business and they receive commissions on passages which they are able to book. That is something altogether outside of Salvation Army work.

Mr. ROSS (Kingston): As somebody always gets those commissions, why not the Salvation Army?

Mr. FORKE: The Salvation Army—and I say this without any discourtesy—is doing a great deal of what is known as uplift work; but when we come to immigration work we want to deal with them as an immigration society, forgetting for the time being that they are engaged in a very laudable and praiseworthy attempt from their point of view. I hope the committee will let this item pass to-night, because there will be further opportunity to discuss the matter. I do not want to hide anything; I will bring it all out into the open and give all the information I possibly can.

Mr. CANTLEY: I want this made perfectly clear. I understand the Salvation Army's relations with the department are to-day different from what they were a year ago. Is that correct?

Mr. FORKE: Not as regards friendship, so far as I am concerned.

Mr. CANTLEY: I am not discussing the minister's friendships; I am discussing dollars and cents.

Mr. FORKE: They are not getting the $25,000 grant which they received before.

Mr. CANTLEY: Is it the intention of the minister to change that and to return to the old arrangement?

Mr. FORKE: I shall have to take into consideration the matter of giving to all associations doing the same kind of work the same pro rata grants, and I am doubtful about doing that. If we figure up what we are spending on assisted passages and on immigration work generally, we shall find we are running up a pretty heavy bill at present for the Dominion of Canada, and I would hesitate to make a promise in regard to that.

Mr CANTLEY: The hon. member for Frontenac (Mr. Edwards) made some remarks in regard to the deputy minister. I would like to dissociate myself from those remarks because I consider the deputy is one of the finest deputies we have in the whole service. I would congratulate the Minister of Immigration on having such a deputy if I cannot congratulate him on anything else. In fact I would not be averse to changing the position of the two, the Deputy and the Minister.

Mr. ROSS (Kingston): What are the functions of the director of publicity?

Mr. FORKE: The director of publicity looks after the publicity work, advertising. Most hon. members know Mr. Stead, who carries on the publicity work of the department.

Mr. ROSS (Kingston): Has he any supervision of the publicity work which is carried on by other agents and which has been referred to as misrepresentation of conditions in Canada?

Mr. FORKE: Those agents are really the agents of some of the steamship companies. They may paint matters a little too rosily, but I do not know what we can do to supervise such advertising.

Mr. ROSS (Kingston): The director of publicity might oversee the advertisements and the publicity matter before it is put out as representative of Canada.

Mr. FORKE: We have asked for coöperation between some of the steamship companies and the department. Some coöperate and some do not. I went over to Great Britain some twenty years ago on immigration work, and at that time I found that the Department of Immigration was employing steamship agents as Canadian agents in the old country. I found a great deal of fault with that. I found issued by steamship agents in regard to Canada pamphlets and other literature which was altogether too rosy and something which I did not like at all. Advertisements of that character are still being issued to some extent by steamship agents, not by us.

Mr. ROSS (Kingston): The department must assume the responsibility. There could not be any objection to the department making this publicity agent an overseer of the publicity campaign carried on in the old country.

Mr. FORKE: Some shipping companies under British registry who want to get immigrants to come to Canada in order to benefit by their fares may make statements that are not altogether true, statements that are a little too rosy and that perhaps convey a false impression, but I do not know what the department can do in regard to suppressing them. If those companies were willing to accept advertisements prepared by the department, the matter would be different.

Mr. ROSS (Kingston): What are the functions and duties of the immigration investigating officer?

Mr. FORKE: If I have to answer all questions in regard to every officer of the department I am up against a difficult task. I think we have just one thousand employees in the Immigration department, in Canada, overseas, and in the United States. My deputy informs me that this investigation officer is largely engaged in taking care of the boundary line between United States and Canada, investigating complaints regarding people passing backwards and forwards.

Mr. SPENCER: I intend to go into the immigration policy of the government at a later date, on item 56, which I believe will be the proper item. I may say now that I am very glad indeed that the government have centralized their immigration agencies between the department and the two railways. Are the agencies overlapping in any way on the continent, in England or in the United States, or are they using in any of those places the same agencies or the same officers? It does not matter which of these agencies spends money in bringing out immigrants, because if we do not pay it in taxation we pay it in freight rates.

Mr. FORKE: No, there is no overlapping in that regard, because we have practically no other immigration agents on the continent of Europe than the government immigration agent at the point of embarkation. Of course there is a different arrangement in Great Britain.

Mr. SPENCER: The minister referred to the immigration agent that the Alberta government has in London. That province has suffered in years past through having immigrants dumped on them, and I believe the official in London is placed there by the Alberta government more to direct colonization than to obtain immigrants.

Mr. GARDINER: During the early part of the debate to-night some reference was made to a system of permits. Can the minister tell us how many were issued last year, how many the year before, and under whose authority they were issued?

Mr. FORKE: Some time ago I laid on the table of the House a statement showing the number of permits that were issued.

Mr. GARDINER: That will be all right. A great deal has been said to-night with regard to the Salvation Army and the different associations interested in this subject. I would like some information on one point with regard to the Salvation Army, because I could not hear what the minister said. I should like to know the amount of money

they secured from these boys. I understand that it costs the Salvation Army from $60 to $80 to outfit them, apart from the transportation. Has the minister made any inquiry from any of the boys as to whether the money was for transportation or for outfitting?

Mr. FORKE: I did not intend to read any of these letters to-night, but I will have to read another letter now. This letter says:

I signed a document agreeing to pay to the Salvation Army the sum of $100 with the understanding that it was for my transportation to Canada and not as a contribution to Army funds. This document is in England. I think other boys are repaying the money with the same idea. Those who enter farther into Canada have more than $100 to pay, therefore, it must appear to be the cost of passage. I was on a training farm for three months, but this was termed to be free.

I have several of those letters.

Mr. STEVENS: What is the date?

Mr. FORKE: I have not got it.

Mr. GARDINER: What would be the cost of transportation?

Mr. FORKE: We make a grant of $80 for the passage money, but I do not think it costs that much.

Mr. GARDINER: This country pays so much passage money for the boys and the Imperial government pays so much. What is the actual cost of the passage? We would like to know whether the Salvation Army is asking for more than the cost of transportation.

Mr. FORKE: It is $55. I think all societies engaged in immigration work are getting the same grant. They receive more than it really costs them, and they have a surplus in case of immigrants going to places east of Winnipeg. If an immigrant goes to Winnipeg it will take about the amount of the grant.

Mr. STEVENS: They have to eat on the way.

Mr. FORKE: In the case of boys going west of Winnipeg, the combined grant of the Imperial and Dominion governments is $100.

Mr. GARDINER: If you are making a grant of a certain sum you surely know what it costs to bring them over. If you do not know what it costs you are not in a position to say whether the Salvation Army is charging for the passage or for the outfit of the boys.

Mr. FORKE: It averages $55—about £11.

Mr. GARDINER: What does it cost to bring a boy to Toronto or Winnipeg?

Mr. FORKE: They get a reduced rate.

[Mr. Gardiner.]

Mr. GARDINER: If the minister has not the figure before him he can furnish it later. If we know the actual cost of bringing the boys over then we will be in a position to separate the transportation cost from the outfit cost and we will know exactly what the Salvation Army has been doing with these boys.

Mr. FORKE: All right.

Mr. GARDINER: I would suggest that it is about time for the committee to rise.

Mr. GUTHRIE: If the minister would let one item stand on which we could discuss the immigration policy generally, I think we might pass all the other items.

Some hon. MEMBERS: Hear, hear.

Mr. GUTHRIE: But I must ask that one item stand as my hon. friend from West Calgary could not be here to-night.

Mr. FORKE: Suppose we leave the last item on the list.

Mr. GUTHRIE: On condition that the whole department is open for discussion.

Mr. GARDINER: I suggest that we leave item 56, covering contingencies, on which anything can be taken into account.

Item agreed to.

Mr. GUTHRIE: Item 56 stands.

Mr. FORKE: I move that the committee rise and report progress.

Progress reported.

On motion of Mr. Stewart (Edmonton), the House adjourned at 11.15 p.m.

Thursday, April 7, 1927

The House met at eleven o'clock.

REPORT

Third report of the select standing committee on agriculture and colonization.—Mr. Kay.

NATURAL RESOURCES—WESTERN PROVINCES

Hon. J. W. EDWARDS (Frontenac-Addington): Mr. Speaker, it is my privilege to present a further petition, this time from Ontario, requesting the return to the prairie provinces of their natural resources without restrictions.

CANADIAN NATIONAL RAILWAYS—BRANCH LINE

Mr. J. C. BRADY (Skeena): Mr. Speaker, I wish to lay on the table a petition from the farmers and settlers, belonging to the Farmer

Institutes of the Francois-ootsa country, for the opening up of a spur line from Stella, on the main line of the Canadian National railway, to the foot of Francois lake. It is signed by over two hundred people.

LEAMINGTON COUNCIL—RESOLUTION

Mr. E. J. GOTT (South Essex): Mr. Speaker, I have the honour of presenting to the House a petition from the town council of Leamington, Ontario, praying that the parliament of Canada—

Mr. SPEAKER: Order. Is it a resolution?

Mr. GOTT: Yes.

Mr. SPEAKER: The hon. gentleman is out of order.

ALBERTA COAL—FREIGHT RATE

Mr. T. H. CAYLEY (South Oxford): Mr. Speaker, I wish to lay on the table a petition signed by Abram Searls and a large number of others praying for the establishment during this session of a freight rate on coal from Alberta to Ontario.

DEPARTMENT OF NATIONAL REVENUE

Right Hon. W. L. MACKENZIE KING (Prime Minister—for the Minister of Customs and Excise) moved for leave to introduce Bill No. 281, to amend an act of the present session intituled: "An act respecting the Department of National Revenue."

Mr. GARDINER: Explain.

Mr. MACKENZIE KING: Mr. Speaker, in the absence of the Minister of Customs (Mr. Euler) I might explain to the House that this bill is simply for the purpose of restoring part of a previous act that was unintentionally repealed through having been inadvertently omitted from the bill creating the Department of National Revenue, when portions of former statutes were being retained.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

CANADA WEEKLY PRINTING CO.

Mr. EVANS:

How much money was paid to the Canada Weekly Printing Company, 325 Logan avenue, Winnipeg, during the fiscal years ending March 31, 1923, 1924, 1925 ad 1926?

Hon. Mr. RINFRET:

Department of the Interior

June 7th, 1924, advertisement in Swedish Canada News, $18.

Department of Immigration and Colonization

1922-23	Nil
1923-24	$6,756 88
1924-25	8,366 48
1925-26	2,880 00

POST OFFICE CLERKS—GRADE 6

Mr. ROSS (Kingston):

1. How many clerks are engaged in grade 6 and lower grade post offices who are paid their salary by the government?

2. What are the names of grade 6 and lower grade post offices where postal clerks are paid their salary by the government?

3. How much would it cost the country if the salaries of postal clerks in grade 6 and lower grade post offices were raised to the level of grade 7 and 8 post offices?

4. Will the government legislate this year to raise salaries of postal clerks of grade 6 and lower grade post offices?

Hon. Mr. VENIOT:

1. 437 postal clerks.

2. Amherst, Belleville, Brandon, Brantford, Brockville, Charlottetown, Chatham, Chicoutimi, Collingwood, Cornwall, Fort William, Fredericton, Galt, Guelph, Kingston, Kitchener, Lethbridge, Lindsay, Medicine Hat, Nanaimo, New Westminster, Niagara Falls, North Bay, Oshawa, Owen Sound, Peterborough, Port Arthur, Portage la Prairie, Prince Albert, Prince Rupert, St. Catherines, St. Hyacinthe, St. Thomas, Sarnia, Sault Ste. Marie, Sherbrooke, Smiths Falls, Stratford, Sydney, Three Rivers, Truro, Woodstock, Yarmouth.

3. Immediate cost approximately $36,360.
Eventual cost approximately $48,480.

4. Not a matter for legislation; salaries of postal clerks are fixed by Civil Service Commission.

THOMAS J. MCMULLEN.

Mr. HANSON:

1. Has Thomas J. McMullen, postmaster at Canterbury Station, New Brunswick, been dismissed?

2. If so, when and for what cause?

3. Were any charges laid against him of any character? If so, what were they and by whom were they laid?

4. Was an investigation held? If so, by whom and when?

5. Has John B. Depow received a temporary appointment as acting postmaster at Canterbury Station?

6. Is the government aware that the said John B. Depow is an undischarged bankrupt?

Hon. Mr. VENIOT:

1. Yes.

2. By order in council of March 26, 1927—on account of active political partisanship.

3. Charges were made by C. Lundau, M.D., Andrew Depow, James B. Grant and Everett

C. Gould that postmaster acted as a political partisan, especially during the last federal election.

4. Yes—by Commissioner H. C. Ramsey, barrister of Bathurst, on the 3rd March, 1927.

5. Yes.

6. No.

JOLIETTE POSTMASTERSHIP

Mr. CAHAN:

1. Why is the appointment of a postmaster to fill the vacancy at Joliette, Quebec, being delayed?

2. In filling this vacancy will a preference be given to a veteran of the late war?

Hon. Mr. VENIOT:

1. On instructions from the Postmaster General.

2. Permanent appointment wil be made according to provisions of the Civil Service Act.

QUESTION PASSED AS ORDER FOR RETURN

DISMISSED POST OFFICE OFFICIALS—NEW BRUNSWICK

Mr. PRICE:

1. Were the following postmasters and postmistresses, in the province of New Brunswick, dismissed,—

Jos. A. Arseneau, Inkerman Ferry; Michael Murphy, Lobster Beach; Henry Aubie, Free Grant; Jos. J. Hachey, Ste. Rosette; Louis A. Doirion, Sheila; David J. Murphy, Black Rock; Etienne Landry, Waugh; Dilas Cormier, Ste. Anne du Bocage; Fred Thériault, Grande Anse; Angus J. S. Branch, Burnsville; Mrs. Annie Chalmer, Belledune; Mrs. Rose Barry, South River; Francois Landry, St. Regmond; Richard Doucet, South Bathurst; R. S. Hachey, Middle Ste. Louise; in the county of Gloucester, Maximilien Poirier, St. Philippe; John L. Peacock, Great Shemogue; Neri Boudreau, Boudreau; Fidele Melanson, Upper Abougoggin; Mrs. Mabel Russell, Newton Heights; G. O. King, Killam's Mills; in the county of Westmorland, David Vautour, St. Theodule; Thaddee LeBlanc, Petite Chockpish; Mrs. Lilla M. Steeves, Birch Siding; J. C. Daigle, Grande Aldouane; Theotime D. Leger, Renaud's Mills; Antoine Cormier St. Lazare; Josepr H. Bourque, Cocagne Cove; Kent County, Mrs. Rose Legere, Legere, County of Northumberland; and Wlfred Savoie, Selwood, Restigouche County?

2. If so, on what respective dates were the dismissals made?

3. In what year were each of the above persons appointed?

4. Who recommended his or her dismissal?

5. On what charge?

6. Was an investigation held?

7. If not, why?

Mr. HANSON: May I speak to No. 14?

Mr. SPEAKER: It is not debatable. It stands as an order for return.

Mr. HANSON: That is just what I am objecting to, Your Honour.

[Mr. Veniot.]

Mr. SPEAKER: Well, if the hon. gentleman wishes to make an explanation he may do so.

Mr. HANSON: I happen to know as a matter of fact that the department has all the information ready, and the question does not call for an order for return.

Mr. SPEAKER: It is the privilege of a minister of the crown to answer a question by stating that it stands as an order for return

Hon. Mr. VENIOT: May I say to my hon. friend, Mr. Speaker, that the department has not all the information ready. It was only about fifteen minutes ago that I looked over some papers for information required from my own county. The complete information will not be ready until to-morrow.

BUSINESS OF THE HOUSE

SATURDAY SITTINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That on Saturday, April 9th instant, and every Saturday thereafter until the end of the session, the House shall meet at 11 o'clock in the morning and that in addition to the intermission at six o'clock p.m., there shall also be an intermission from one to three o'clock and the order of business and procedure shall be the same as on Fridays.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion?

Some hon. MEMBERS: Carried.

Mr. ROBERT GARDINER (Acadia): No. I desire to protest against this motion.

Mr. GUTHRIE: It is only a notice.

Mr. GARDINER: I do not suppose my protest will do any good, nevertheless I wish to make it. I think that the House at the present time is working to the limit of the endurance of hon. members, and in view of the importance of the legislation that has been recently introduced, I think we should have at least one day in the week during which we may have an opportunity of scrutinizing this legislation. In the past there has frequently been introduced into the House, just a few days prior to prorogation, privilege legislation which has proved detrimental to the interests of the people, and the motion now before us may possibly be the means of such legislation going through on this occasion. Last Friday night there came before the House a measure in which the farmers of western Canada are very much interested. I refer to the Grain Act Amendment. The government has contemplated this legislation all session, and only now has it

gone through. It has for its object the restoration to the farmers of very important property rights which had been taken away from them. We appreciate the fact that the government was anxious to see these rights restored to the farmers, but what I am pointing out is that the legislation went through the House on Friday night without protest. It is now before the Senate, and I am afraid it will not receive there that consideration which it deserves unless reasonable time is given in which to study it. At all events, if this resolution carries, I suggest to the Prime Minister (Mr. Mackenzie King) that when we do sit on Saturday we rise at six o'clock.

Mr. MACKENZIE KING: Let me first say to my hon. friend, in regard to legislation at present under consideration in the other chamber, that the government certainly has no intention of pressing its program in such a manner as to endanger the enactment of any measures that have gone from this House to the Senate. If we have to sit for a considerable time longer than most of us expect to be obliged to, we will see that every opportunity is given the other house to deal in a perfectly satisfactory manner with the legislation before it. As to the motion itself, my hon. friend knows, the purpose is, if possible, to have prorogation take place before the Easter vacation. If we sit on Saturday morning, afternoon and evening we shall make considerable progress and be in a position then definitely to determine whether or not we can arrange for prorogation early next week. I would ask my hon. friend to let the motion pass, and if we find during the afternoon on Saturday that we are all exhausted we can then move that the House rise.

Some hon. MEMBERS: No.

Mr. MACKENZIE KING: Otherwise we might continue to sit in the evening.

Hon. J. W. EDWARDS (Frontenac-Addington): I wish to register my protest against sitting on Saturday, even if we have to sit here other days until one or two in the morning, as we have done before. I am in entire accord with the hon. member who leads the Progressive group (Mr. Gardiner) in what he has said and in the reasons he has advanced. They are reasons which should receive every consideration. It is not in the interests of good business that this House should sit on Saturday.

An hon. MEMBER: Why not?

Mr. EDWARDS (Frontenac): Why not? I will give you one reason why I do not think it is desirable for the House to sit on Saturday. I can see the possibility—I will not say the probability, but certainly the possibility—of millions of estimates being rushed through on Saturday night when there is a very slim attendance. I am just as anxious as anyone else to see the session come to a close next week, but merely for the sake of attaining that end I will not agree to something that may result in passing hastily through the House millions of dollars of estimates. It would be better to sit until next summer than do that.

Mr. G. R. GEARY (South Toronto): I wish to associate myself with the hon. member for Frontenac-Addington (Mr. Edwards). At the moment there is a most important bill before the railway committee. Many of us would like to attend that committee but we desire to be in the House at the same time, and this frantic endeavour to clean up business at any cost, in order to get away at a certain fixed date, is not conducive to sound legislation or to the proper conservation of the interests of the people. We should not allow ourselves to be stampeded into rushing through legislation and passing estimates without adequate consideration merely because we desire to prorogue at a given date. There is, I know, a strong desire on the part of everyone to get away as soon as possible; we all share that feeling. Nevertheless, it is a ridiculous spectacle for this country to witness this House, after a session of but two months conducted in an easy manner, passing legislation hurriedly and disposing of the business without full consideration because suddenly, a few days before prorogation, we decide to clean up everything. The House and the committees are meeting simultaneously and hon. members are anxious to be in both places, but this is impossible. If we desired to do so, we might clean up all the business of the House in a couple of days, and I do not know why the country should not conclude that parliament ought to be able to convene at the first of any month, have its committees and the House meet at eleven o'clock each day, sitting simultaneously, adjourning at two o'clock in the morning and thus dispose of the business of the country at the end of the same month.

An hon. MEMBER: So we could.

Mr. GEARY: An hon. gentleman says, so we could, but that is not my idea of how the business of the country should be considered.

Hon. HUGH GUTHRIE (Leader of the Opposition): The suggestion for Saturday sittings originally came from me. It would

meet my convenience either to sit or not to sit on Saturday, but I leave myself in the hands of the House. Hon. members who protest against the motion must remember that in every session for fifty years Saturday has been appropriated during the last week or two, and I think the same thing is true of morning sittings.

Mr. GARLAND (Bow River): That does not make it right.

Mr. GUTHRIE: I do not think it has been any great inconvenience in the past to sit in the morning and have the committees meeting at the same time. As I say, however, it will suit my convenience either to sit or not to sit on Saturday, and if the House desires to continue for a week, two weeks, three or four, I shall be content. I do not believe that we should rush business through at the end of the session; we should fully consider every measure that comes before us. But the bills which have gone through the House this year with little or no debate are bills which were discussed to the fullest extent last session, and there would be little use in repeating those debates on this occasion. There is, I admit, some change in the personnel of the House, but not a very great change, and it has been the consensus of opinion that measures which were passed last year and which failed to receive the royal assent should not occupy too much time this year. We have therefore economized time in that respect. Having made the suggestion originally for Saturday sittings, I rise now merely to say that either arrangement will suit me admirably.

Mr. MACKENZIE KING: In view of what my hon. friend has said I suggest that we allow the motion to stand until to-morrow and in the meantime see if an agreement cannot be reached among all parties.

Motion stands.

DRUMHELLER MINE WORKERS

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): I wish to direct the attention of the administration and in particular, of the Minister of Labour (Mr. Heenan)—possibly the Minister of Immigration (Mr. Forke) will be interested also—to the following telegram I have received:

E. J. GARLAND, M.P.,

There are about two thousand mine workers out of work at present in the Drumheller valley. This has caused great distress and we would urge upon you the necessity for parliament taking immediate action to relieve the suffering of these men and their families which is growing more intense each passing week in any possible way you may determine.

A. PARKER, President,
H. SMITH,
Secretary Local No. 59 United Mine Workers of America.

I refer this telegram to the Minister of Labour in the hope that he may be able to find some means of assisting these men in their distressful circumstances.

Hon. PETER HEENAN (Minister of Labour): The department has a man on the job right now investigating conditions.

Mr. GARLAND (Bow River): In Drumheller?

Mr. HEENAN: Yes.

Mr. GARLAND: (Bow River): What is the object of the investigation? Has it any relation to this distress?

Mr. HEENAN: When we get an application we always send a man to investigate the conditions.

CIVIL SERVICE SALARIES

OBJECTION TO PROPOSED EXCEPTIONS TO APPLICATION OF INCREASE

On the Orders of the Day:

Mr. G. R. GEARY (South Toronto): At page 1767 of Hansard the Secretary of State (Mr. Rinfret) made a statement with regard to civil service salaries. I have had a communication by telegraph from people interested in this matter outside of Ottawa, who state that the exceptions to the proposed increase practically destroy the benefit of that raise, and I would be very glad if the Secretary of State could tell me if he has anything in mind with regard to the point raised by this message.

Hon. FERNAND RINFRET (Secretary of State): I am sorry, but I was speaking to the Clerk of the House when my hon. friend began his question. Do I understand that it relates to the postal clerks?

Mr. GEARY: In the statement of my hon. friend with regard to civil service salaries a number of exceptions were made.

Mr. RINFRET: To which exception does my hon. friend refer?

Mr. GEARY: The point is that interested persons outside Ottawa have communicated with me, stating that the exceptions practically destroy the benefits of the proposed raise and that so many people are affected by the exceptions that the increase is by no means general throughout the service.

Mr. RINFRET: When we take up the amount in the estimates to cover this increase we will have a full discussion, but I may say to-day that the underlying principle of the revision is to grant an increase to every civil servant in either the inside or outside service, both temporary and permanent, with the general exception that those classes which have received some increase since 1924 would get only the difference between the increase now granted and that which they have been receiving since that date.

Mr. GEARY: Then has the minister anything in mind in regard to a change in the proposed basis of revision, or does what he stated previously stand with no possibility of a change?

Mr. RINFRET: That is the proposal made to the House, but when in committee we deal with the revision of salaries I will very cheerfully consider any suggestions which may be made.

Mr. TOLMIE: Does that include railway mail clerks?

Mr. RINFRET: The suggestion will have to come from someone else.

Hon. R. B. BENNETT (West Calgary): I am in the same position as the hon. member for South Toronto (Mr. Geary). I have received a number of telegrams and letters with respect to this matter, and my understanding was that the whole question of salaries might be discussed when the House went into committee on the supplementary estimates which would deal with this matter, and that there would be no restrictions imposed on any discussion which might then take place.

Mr. RINFRET: That is exactly the case.

RAILWAY MAIL CLERKS

On the Orders of the Day:

Mr. G. R. GEARY (South Toronto): I would like to ask the Postmaster General (Mr. Veniot) a question.

Mr. SPEAKER: Order. The hon. gentleman has already spoken twice on the orders of the day.

Mr. GEARY: These are matters which have been referred to me, Mr. Speaker; I do not ask them of my own accord. I would like to ask the Postmaster General if he will give an answer to a question which comes from London and which arises by reason of an accident which occurred the other day in which certain railway mail clerks were injured. My correspondents desire to know if the fact that railway mail clerks are engaged in a hazardous occupation will have any effect upon the civil service salary revision as it affects their class. I would also ask when the new schedule will be presented to the House.

Hon. P. J. VENIOT (Postmaster General): I will read the question in Hansard and prepare an answer to-morrow.

EMPLOYMENT OF DISABLED VETERANS

On the Orders of the Day:

Mr. J. F. WHITE (London): I would like to ask the Postmaster General (Mr. Veniot) if he has anything further to communicate to the House with regard to the question I raised yesterday concerning the right of amputation cases to take certain civil service examinations?

Hon. P. J. VENIOT (Postmaster General): I may say to the hon. gentleman that yesterday I asked for a conference between representatives of the Canadian Legion and several of the officials of the department. They had a very lengthy discussion yesterday afternoon and a statement of the result is now being prepared. I have here merely a synopsis of what occurred, which I would not like to give to the House until I have the full notes prepared together with the result, in order that I may lay them before the House. If I gave these few notes now they might lead people astray.

Mr. WHITE (London): Will that statement be given out within a day or two?

Mr. VENIOT: I hope to be able to give it out between now and tomorrow.

FIRST NARROWS BRIDGE

On the Orders of the Day:

Mr. J. A. CLARK (Vancouver-Burrard): I would like to direct the attention of the Minister of Public Works (Mr. Elliott) to a telegram I have received from a public body in the city of Vancouver, asking for information as to the position of the government with regard to the First Narrows bridge. What decision has been arrived at with regard to its location, its plans and construction, and are any contracts likely to be made?

Hon. J. C. ELLIOTT (Minister of Public Works): The matter is under consideration, and nothing definite has been settled.

Mr. CLARK: Is an early decision likely to be arived at?

Mr. ELLIOTT: Yes; I think I can say that much.

Mr. CLARK: Will the minister make a statement before prorogation.

Mr. ELLIOTT: I am afraid that may be impossible.

UNEMPLOYMENT RELIEF—MANITOBA

On the Orders of the Day:

Mr. A. A. HEAPS (North Winnipeg): I would like to ask the Minister of Labour (Mr. Heenan) if he has received from the provincial government of Manitoba any request to grant unemployment relief on the basis on which that relief was granted last year?

Hon. PETER HEENAN (Minister of Labour): Yes.

Mr. HEAPS: May I ask the intention of the government in that regard?

Mr. HEENAN: The government has not had time to consider it; the request was only received last night.

PILOTAGE IN BRITISH COLUMBIA WATERS

On the Orders of the Day:

Mr. L. J. LADNER (South Vancouver): Mr. Speaker, I would like to draw the attention of the Minister of Marine and Fisheries (Mr. Cardin) to a despatch appearing in a Victoria paper having to do with a matter affecting the ex-service men of this country. It reads as follows:

> Rebuff to Canadian Pilot is Resented
> Asked to get United States navigator to bring ship to Canadian waters.
> Urgent need of the Canadian Legion of the British Empire Service League to look after the interests of ex-service men is indicated by an instance which the Britannia Post of the British Empire Service League was recently requested to protest to Ottawa, says a statement from the secretary.
> "A United States vessel was taken into quarantine by a local pilot, an ex-Royal Naval Reserve officer. On being cleared the said pilot was asked to take the ship on to Port Angeles where a United States pilot was taken aboard to continue to navigate the ship into a Canadian port.
> "British Columbia is a long way from Ottawa and we are very curious to know what would have happened had such an instance occurred in Quebec waters where feeling runs high regarding the rights of Canadian citizens."

These are not my words; I am simply quoting the article. I would like to ask the minister if he has any information on this matter, and if so, why this pilot was changed for an American pilot?

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): I have no information in regard to this matter, but I will inquire and give my hon. friend an answer to-morrow.

[Mr. Elliott.]

COLD STORAGE PLANT AT HALIFAX

On the Orders of the Day:

Mr. H. B. SHORT (Digby-Annapolis): The Minister of Agriculture (Mr. Motherwell) is not in his seat, but perhaps one of the other ministers can give me some information with reference to an article which appears in the Halifax papers regarding an agreement entered into between the government and some other parties with reference to the construction of a cold storage plant at Halifax. Can any of the members of the government give us any information in that regard?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Hon. members seem to forget that they have an opportunity of presenting any of these questions to the government by having them appear on the order paper. They have only to write them out and hand them to the Clerk. A question such as the one just asked may be answered satisfactorily in that way. The ministry cannot be expected to answer offhand innumerable questions with regard to messages which have just been received by hon. members of the House, and I submit that the House should sustain you, Mr. Speaker, in your endeavour to restrict unnecessary and innumerable questions being put on the orders of the day. Let them be placed on the order paper and they will be answered in the regular way.

Mr. SHORT: But, Mr. Speaker, this is a question—

Mr. SPEAKER: Orders of the day.

INSURANCE ACT, 1917, AMENDMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee on Bill No. 50, to amend the Insurance Act, 1917.

Motion agreed to and the House went into committee thereon, Mr. Johnston in the chair.

Sections 1 to 8 inclusive agreed to.

On section 9—Power to invest funds in stock of other Canadian insurance companies.

Mr. BENNETT: Does the minister think that desirable?

Mr. ROBB: The opinion of the department is that there is a very strong tendency at the present time towards the absorption of Canadian fire and casualty insurance companies. The Canadian life insurance companies carry about 65 per cent of the total life insurance business in Canada. The Canadian fire insurance companies carry about 13 per cent of the total fire insurance business in Canada,

and of this 13 per cent less than one-third is carried by companies under Canadian control. The balance is carried by companies nominally Canadian, but controlled through stock ownership by British and United States companies. The result is that of the total fire insurance business in Canada about four per cent is carried by purely Canadian companies. The tendency in this respect is shown by the figures for the years 1905, 1915 and 1925. I think this legislation, after very careful consideration, was considered necessary by the committee.

Mr. BENNETT: It is like the investment by banks in the stocks of another bank. That is what it gets down to. It is really doubtful as to whether or not life insurance companies should own shares in another life insurance company. It has been held always to be a bad policy for banks to own shares in a competing bank. I only mention the matter because I was not able to be in the committee when the bill was being considered. I think this involves a matter of extremely doubtful policy.

Mr. CAHAN: An explanation was given before the committee which seemed to me fairly satisfactory. That was that it enabled Canadian companies to take an interest in the shares of a British company, for instance, and thereby secure business through that British company in which they owned shares.

Mr. BENNETT: This applies not only to British companies but to foreign companies.

Mr. CAHAN: If it were a British or United States company I do not think the same objection would apply. Perhaps "foreign" is too broad, but it must be a foreign company which is licensed to do business in Canada. In the committee I listened to the discussion and to the arguments which were brought forward by the representatives of the insurance companies, and it seemed to me that they were at present labouring under a disability which this legislation might help to remove. That was my impression from listening to the long discussion.

Mr. ROBB: It is pointed out that in Great Britain fire insurance companies are permitted to invest in, or carry as assets in their statements, the stock of other fire insurance companies. In the United States this practice has, as a rule, not been permitted, but in some states of the union such an investment is allowed. I think the committee considered this provision very carefully and we might well allow it to pass.

Mr. RYCKMAN: On this point the committee, I think, was unanimous. The situation is that a British or a foreign company has, with respect to Canadian business, an advantage over the position that a Canadian company has in the reverse case, and the committee was inclined, therefore, to put a Canadian company on the same basis as a British or foreign company. I may say that the legislation was asked for especially by two of the oldest Canadian companies—one, the British American, operating, I think, for ninety-three years, and the other, the Western, operating for something like seventy-eight. It was pointed out to the committee that if either the British or the Western companies desired to exercise the privileges that British and foreign companies have it would be difficult for them to do so. They were required to wind up any company which they might acquire by control and to do business in roundabout ways through an underwriters' agency. The committee, in a word, thought that all companies licensed to do business in Canada should be on the same basis.

Mr. BENNETT: I listened with a very great deal of interest to what the minister said and I do not at all agree with him because this permits a Canadian company to do, not what the hon. member from St. Lawrence-St. George and my hon. friend from Toronto have said, but to hold shares in any other Canadian company. Now that means just what has been condemned so strongly heretofore in this House—one insurance company acquiring shares in another company. The result is that you have all the evils that have been denounced from time to time with respect to control and directorate. If it were limited to British or foreign companies I could quite understand the point made by the hon. gentleman, and I am familiar with the cases referred to; but when you empower Canadian companies to acquire shares in other Canadian companies you open the door to a condition which should not prevail with respect to insurance even though it be limited to fire insurance.

Mr. CAHAN: When the bill was in committee before, attention was drawn particularly to the words underlined:

> Or of any British or foreign company licensed under this act to transact such business in Canada.

I did not hear any discussion with regard to the authority of a Canadian company to invest in the fully paid shares of any other Canadian company.

Mr. BENNETT: It is not 15 per cent of its capital; it is 15 per cent of its assets, which is a different matter.

Mr. ROBB: I will have the matter looked into in the other chamber.

Mr. BENNETT: The clause will be carried on division because I am wholly opposed to it.

Section agreed to on division.

Sections 10 and 11 agreed to.

On section 12—Minimum amount of assets.

Mr. BENNETT: This touches the question of investment of insurance companies.

Mr. ROBB: It meets in a measure the objection raised by my hon. friend in regard to clause 9.

Section agreed to.

Section 13 agreed to.

On the preamble.

Mr. BENNETT: Before the bill is reported, a question was put on the order paper yesterday by the hon. member for Toronto Northeast (Mr. Young) with respect to a decision of the Supreme Court of Ontario holding ultra vires of this parliament certain sections of the Insurance Act. This decision more or less follows the view expressed by the Privy Council in the reciprocal insurance case and allied cases. There is another question which I conceive to be of great importance. Has this parliament the right legally to authorize a life insurance company to appropriate to its shareholders any part of the profits derived from the investment of premiums on policies belonging to policyholders? Is this not a matter, being one of property and civil rights, purely within provincial jurisdiction? Is not the section which has been in force for such a long time, by which earnings from the investment of premiums on policies shall in part be made applicable to dividends to shareholders, wholly beyond the jurisdiction of this parliament? This is a matter which requires the closest consideration in view of the exception that, by legislation now before the House, is being made to the general rule.

Mr. ROBB: I will direct the attention of the Department of Justice to the observations of my hon. friend. Of course the best lawyer in Canada does not expect that I am going to enter into a controversy with him on such purely legal questions.

Mr. BENNETT: Such flattery as that does not answer the question. I would disclaim that at once.

[Mr. Cahan.]

Preamble agreed to.

Bill reported.

Mr. ROBB moved the third reading of the bill.

Mr. BENNETT: Carried on division.

Motion agreed to on division and bill read the third time and passed.

POST OFFICE ACT AMENDMENT

POSTAGE RATES ON NEWSPAPERS AND PERIODICALS

The House resumed from April 1 consideration in committee of Bill No. 259, to amend the Post Office Act—Hon. Mr. Veniot. —Mr. Johnston in the chair.

Mr. BENNETT: Has the Postmaster General received protests against this?

Mr. VENIOT: Yes.

Mr. BENNETT: Would the minister be good enough to indicate the intention of the administration with respect to them?

Mr. VENIOT: When this bill was in committee before, I gave an explanation of it. Since then I understand that many telegrams have been received from what is known as the smaller daily newspaper associations in several parts of Canada. There are about twenty-five interested in sending out these telegrams. They are not opposing a reduction of the rate, but they are asking that the reduction be deferred until they have an opportunity of laying before the government their claim for the establishment of what is known as a zone system, that is basing the rates on newspapers on the distances of their circulation. They further state:

> We favour a zone system whereby a great saving would be effected to the Post Office Department. It is fairest all round.

In 1920 when this act was being amended increasing the rate to one and one-half cents per pound in regard to certain classes of printed matter, the same delegation appeared and asked that the zone system be considered. It was very fully considered in 1920, and the decision reached was that such a system would not be practical in Canada owing to our sparse population. Since receiving this telegram and knowing that a number had been sent to other hon. members, I went fully into the matter with officials of my department and we still stand by the result of the decision reached in 1920.

These gentlemen who are protesting state that they are to meet in convention on the 4th and 5th of May. If when they meet at that time they will present any stronger

reasons for the establishment of a zone system than they presented in 1920, the department will take their representations into consideration, and if their claim is a just one and if we can put it into force without affecting too much the revenues of the department, we will prepare something in the form of an amendment to this legislation and bring it before parliament next session. I see no reason why the bill as it is now before the House should not pass because it will not affect adversely the parties who are objecting. No matter what investigation may be made at the present time along the line of establishing a zone system, it would be absolutely impracticable in Canada. They have no such zone system generally throughout the United States. They have a zone system in the congested districts, but there are no sections of Canada so greatly congested in population that the zone system would work advantageously here.

I may say further that I have received a letter approving of this action that the Postmaster General is about to take. It is addressed to the hon. Minister of Finance from the Canadian National Newspapers and Periodicals Association, affiliated with the Canadian Press Association, and says:

> On behalf of the members of the Agricultural Press Association of Canada, the Magazine Publishers' Association of Canada, and the Business Newspapers' Association of Canada, all of which are affiliated with this association, I wish to express our appreciation of this proposed legislation, which presages a welcome measure of financial relief and leads us to hope that when the whole case of the periodical publishers has been dealt with by the government, we will have reached a parity of production costs with our foreign competitors.

Since they refer to their foreign competitors, let me say for the information of the House that I am of the opinion that something should be done to—shall I say—protect our publishers in Canada—

Mr. BENNETT: That is a good word.

Mr. VENIOT: —to protect our publishers from the influx of American newspapers and American periodicals which are to-day flooding the whole country. Since this bill was introduced, I have taken up this very matter with the various officials in the different branches concerned with newspaper postage and circulation, and during the recess a thorough investigation will be made with a view to devising some scheme by which we can give greater protection to our newspapers and periodicals in competition with American publications.

Mr. MARCIL: Is it not a fact that the bulk of American publications do not come into Canada through the mails, but by express, over which the Post Office Department has no control at all?

Mr. VENIOT: I am not in a position to say yes or no in answer to that question, because I have only begun an investigation into this matter, but should they come into the country in that way, of course, it might be difficult for us to regulate them. I do know, however, that a very, very large quantity comes through the mails.

Mr. MARCIL: I have mentioned this matter before, but I think the opportunity is good again to call the attention of the Minister of Finance to the fact that these Sunday and Saturday papers published in the United States and coming in here are largely advertising mediums, and not newspapers at all in the real sense of the word. For instance, a newspaper with fifty pages will probably carry about forty pages of nothing but advertising matter. Why should not the government of Canada receive a revenue from that advertising? If you do not want to penalize the literature that comes into this country, why not put a tax on the advertising carried by these newspapers, because for the most part they carry nothing else but advertising matter, which is circulated throughout this country to the detriment of Canadian manufacturers and Canadian industries, and helps to foster American ideas throughout the country in the households and wherever these newspapers go. If we cannot prevent the introduction of this literature, we ought at least to tax this advertising scheme, because three-fourths, if not seven-eighths of the whole thing is advertising pure and simple. This matter has been brought up several times before, and I hope the Minister of Finance in conjunction with the Postmaster General will see that a revenue is brought into the exchequer by placing a tax on the advertising columns of these papers.

A movement is on foot in the United States at the present time to reduce the size of these papers, because it is well known that the advertisers do not get the benefit from this advertising that they think they should get, for the ordinary man when he picks up a newspaper of forty or fifty or sixty pages has not the courage or the time to scan through the whole business, and he will simply look at the sporting or literary section or any other section in which he is interested, and throw the rest away. It is a waste of paper and a waste of time, and so far as we

here are concerned it is a waste of revenue. I think in this sixtieth year of confederation the Minister of Finance and the Postmaster General would be well advised to get a revenue at least from this influx of American publications, if we can get nothing else. It would be another step in fostering a Canadian spirit in Canada, because we would not then be flooded by the ideas and ideals which come in here from another country, some of them very acceptable to this country, but a great part of them, I am sorry to say, should not be accepted by us.

Mr. CAHAN: I do not wish to take the time of the committee but I would suggest that the Minister of Customs at the present time has it entirely within his discretion, by giving a proper definition to certain items of the tariff, to place a tax on all magazines which bring advertising matter into this country. I think if he will look carefully into that and take the legal advice of his officers, he will find that the matter is entirely in his discretion at the present time.

Mr. JENKINS: In common with other members of parliament I have received several telegrams in connection with this bill, one from Mr. J. R. Burnett, of the Charlottetown Guardian, on behalf of about thirty newspapers.

Mr. VENIOT: Twenty-five.

Mr. JENKINS: I thought it was more; twenty-five, or whatever the number may be. This seems to be a rather important matter when we find such a number of newspapers throughout the country interested in it. I will take the liberty of reading just a short extract from this telegram:

> The present bill is an attempt by some big daily to steal a march on the others. Nothing will be lost by delaying till the dailies have an opportunity of expressing their opinion, and we would urge you and all members to oppose its passage this session.

I can see no reason why there should be any hurry about this particular bill, and I was glad to hear the minister say that if the bill does pass, he will hear the representations of these men who will be gathered together in Toronto on that particular date mentioned. I merely take up time at this moment to present the case of the smaller dailies who appear to think they are going to be oppressed by this legislation.

Mr. VENIOT: Proportionately most of those small dailies mentioned in the telegram will benefit more than the larger newspapers because the circulation of some of them is so small and they now come within the forty-mile zone provision—

[Mr. Marcil.]

Mr. BENNETT: And they will not get any benefit from a change because they go free in the forty-mile zone.

Mr. VENIOT: Yes, so they really have no reason to complain, and they ought to know it. They are not paying to-day, some of them, and they will only pay provided their subscription runs to 2,500, and circulates beyond the forty-mile zone. They have that forty-mile zone now, but they want us to establish zones all over the Dominion. It cannot be done, according to the information I have from our experts, and therefore they should not ask to delay this bill.

Mr. BENNETT: But the dailies are not within the forty-mile zone provision.

Mr. VENIOT: Some of them are and some of them are not. I do not want to mention names, but I have a case right here with which I am quite familiar. This daily has only 750 subscribers, and the paper does not go outside of a 20-mile zone. They are given everything free, and yet they are complaining.

Mr. BENNETT: I was going to suggest to the minister that perhaps he might do this. He might provide that this section shall come into force on proclamation so that he could have an opportunity—because he would have power under the Postal Act to regulate the matter; I do not know whether he could do that reasonably or not—but it would give him the opportunity of hearing the representations by those interested on the 1st of May, and the act could be brought into force by the beginning of July in any event.

Mr. VENIOT: Supposing we did that.

Mr. BENNETT: Then they get nothing. But if you did agree, under the regulations of the department, I think you would have power to make those provisions afterwards.

Mr. VENIOT: No, I looked into that very carefully.

Mr. BENNETT: Then that answers it. The only other alternative would be to let the matter go over for a whole year.

There is another point that I think the right hon. Prime Minister might consider in connection with this matter. The formation of national sentiment is influenced by factors which are sometimes conscious and sometimes unconscious to the people themselves. When my friend from Bonaventure (Mr. Marcil) made his observations with respect to advertisements, I thought it might afford me an opportunity to say something that has been in my mind for a long time. Take a magazine such as that mentioned by my friend from

Toronto West Centre (Mr. Hocken) the other evening, it costs at least nine cents and is sold for five cents on the street. It is perfectly clear that the advertising it contains is so very lucrative that its publishers can afford to sell their production at a half of what the white paper costs. Let us look at it. It advertises goods manufactured in the United States at much lower retail prices than we can even produce them. That is, with a population of 110,000,000 their mass production enables them to advertise various goods that the Canadian housewife uses every day at a retail price less than they can be manufactured in Canada, much less sold.

This brings about a certain amount of distrust of our whole economic system and of the conduct of national affairs. It also does much to form a public opinion antagonistic to the very country in which we live. The effect of reading those advertisements of motor cars, washing machines, canned goods and various other commodities—I give only two or three illustrations, others will occur to hon. gentlemen as I proceed—the effect of reading those advertisements—and everybody reads them—especially on the minds of young people, is to make them ask: What is wrong with Canada that I should have to pay so much more for these things than the price at which they are sold in the United States? The result is that public opinion is being formed unconsciously and the whole national sentiment of the country is being more or less wrongly influenced, and this in turn injuriously affects the creation of that strong feeling of Canadianism that we are all so anxious to encourage.

I do urge that it is within the power of the Minister of Customs, as my friend from St. Lawrence-St. George (Mr. Cahan) says, to deal with the matter, and I am confident that the co-operation of the Minister of Customs and the Postmaster General, with the Minister of Finance strongly aiding them, would bring about such results as in my judgment would have a beneficial effect not only on the revenue—I am not thinking of that so much at the moment—but, more important still, on the body politic by preventing the circulation of such magazines containing advertisements which are detrimental to Canadian sentiment, for they reflect upon the ability of Canadians with our limited population and vast area to produce goods on terms to compete successfully with those produced in the United States having the advantage of mass production and an enormous consuming market. We have talked about this for so many years that I suggest the time has come for action, and this action will, I think, commend itself to every hon. gentleman, especially after having listened to the very able statement made the other day by my hon. friend from Toronto West Centre.

Mr. HOCKEN: It is exceedingly gratifying, Mr. Chairman to find that at last we have one minister who appreciates the serious handicaps under which this great industry is suffering in this country.

Mr. VENIOT: I am a newspaper man, although I am not in the business now.

Mr. BENNETT: The owner of that paper with 750 circulation?

Mr. VENIOT: No, I got sold on that.

Mr. HOCKEN: What the minister proposes, although not all that is necessary in view of the competition from the other side, will be some slight relief for the publishers of this country; and since he has found it good policy to make this proposal I submit there should be no objection to it from any part of the House. Our tariff at the present time is 15 cents a pound on advertising matter. We allow magazines to be imported containing 240 pages, 150 pages being advertising matter on which no duty whatever is paid. Those magazines are not in the real sense of the word literary productions. If they depended upon their literary contents for profit they could not live at all. They are primarily advertising sheets. Those 150 pages of advertising are just 150 pages of printed matter that is admitted under the tariff of 15 cents a pound.

Now, it has been contended by the officials of the Customs department that they would find it very difficult, if not impossible, to separate the advertising from the reading matter and impose the tax. Of course, that is an entirely superficial view because in the United States they do separate the two; the postal rates there are higher for advertising than for literary pages. So what is done there ought to be done here. But let us get down to the two items of the tariff that are applicable. Item 184 provides for a duty of 25 per cent on just such publications as are coming in here. Another item imposes a duty on any literature of this kind that is unbound. Now, I should like the House to pay attention to this. By an arbitrary ruling of the Customs department made many years ago these magazines are said to be unbound. During the debate on the budget I produced one such magazine of sixteen different sections. How it can be argued that that is unbound is beyond my comprehension. Such

an argument could not be maintained before any tribunal. If the items now in the tariff schedule were fairly interpreted according to their language, and properly applied, there would be a tariff of 25 per cent on all these foreign publications. I submit that that is not enough, but at least it would be something worth while and would have this effect: it would discourage certain publishers who have undertaken extensive subscription campaigns in Canada. The publishers of one particular magazine have set themselves an objective of 500,000 copies a week in this country, and have engaged some of our best canvassers to assist them. Since they started the campaign they have increased their circulation 50 per cent. Now, even if the tariff were only 25 per cent, it would discourage those enterprises, and it would be a warning to their promoters that the time may come—as I hope it will—when they will have to bear a heavier impost.

I have argued with the Finance minister now for four or five years to get a little relief, and I am delighted this morning to discover that at least one minister, and a minister in a position to do something, is seized of the urgent necessity and the undoubted justice of giving this much consideration to the publishing interests of the Dominion. I have in mind the publisher of a certain daily newspaper which does not go into the mail to the extent of more than a few thousand, but all of whose circulation, which is a large one, is distributed by carrier in the city of publication. I find that particular publisher very active in trying to prevent this bill going through. The telegram read by my hon. friend from Prince Edward Island cites a number of other papers which are practically in the same position. They are not paying anything, and they do not want anyone else to get relief, simply because they are not personally interested. That is a very narrow and selfish attitude for them to take. On broad, national grounds this bill ought to go through, and there should be no objection from any quarter.

Mr. VENIOT: As regards the suggestion that there is an attempt on the part of some big dailies to steal a march, let me say that there is no big daily newspaper in Canada that has ever approached me in this matter. I have been a newspaper man myself for more than thirty years, although I am out of the business now, and I know from experience the burden that is being carried by the newspaper fraternity of Canada to-day. That burden I am attempting to some extent to relieve. When I laid the matter before the government they accepted the policy which I am now submitting to the committee, and I want to assure hon. gentlemen that so far as I am concerned absolutely no influence has been brought to bear on the part of any big dailies. What I am doing now I am doing on my own initiative because, from an experience of some thirty-five years in the newspaper business, I feel that this measure of relief is due at the present time.

Mr. MacLEAN (Prince): What does the minister think of the zone system asked for in the telegram?

Mr. VENIOT: It is impracticable in Canada, and I might as well make the statement now for the benefit of our friends so that when they meet in convention they may advance the strongest arguments possible to convince the department that they are right and we are wrong.

Mr. SPEAKER: This is not a party question, and I may therefore venture to remind the committee that at one time I was Postmaster-General and consequently am very much interested in the whole subject. I will not refer to the number of newspapers and reviews published in the United States which are daily and weekly invading Canada with their mass of advertising matter that comes in practically free to the disadvantage of Canadian publications. That is not the phase of the situation to which I desire to direct the attention of hon. members.

I want to refer the Postmaster-General (Mr. Veniot)—and I am in earnest in this, for I speak the mind of a large number of good citizens of Canada—to the very strong exception which is being taken to the large number of pornographic papers, magazines and other periodicals sold in our large cities, such as Montreal and Toronto. I do not know so much about Toronto where I visit two or three times a year. Certainly, however, Montreal and even Ottawa are being disgraced to-day by the sale of these pornographic papers, which are being read by our young men and women and even children. These newspapers are on sale at every street corner in our principal cities, and while I know that the Postmaster-General is not primarily responsible for their obnoxious presence I do think that he and the Minister of Customs (Mr. Euler) might get together and devise some drastic means of stemming the flood into Canada of this mass of deleterious reading matter. Every police magistrate in the city of Montreal, in the light of investigations that have been held, has de-

clared that convictions, especially of juvenile delinquents, can invariably be traced to the reading in the first instance of newspapers and other publications carrying pornographic news and pictures. Even in France, which as everybody knows is as free as any country can be, there is at the present time a decided movement against the purveying of literature of this sort. The other day I was interested to read that a member of the clergy in the city of Paris had passed from one street to another there, destroying as he went along all the pornographic advertising matter which came to his notice. He was brought to the court and I admired his speech in defence of what he had done. "Could I", he asked, "allow poisonous matter to find its way into the hands of children, young boys and girls, and refrain from destroying it in the interests of their morals and for the good of society?" The judge in pronouncing sentence upon the accused practically admitted that he was right, but unfortunately the purist could not take the law into his hands and so he was obliged to convict him. He fined the priest one franc. With the franc at its present value, the fine was purely nominal.

I hope the Postmaster General and the Minister of Customs will deal with this matter in a drastic way. We must protect our youth and prevent this literature from invading our cities and finding its way into our homes. Some years ago, when Postmaster General, I negotiated with the authorities at Washington a modest treaty which to a certain degree kept this literature out of Canada, and concurrently with that treaty I made arrangements with the British Postmaster General to the same end. A preference was given to papers and reviews published in Great Britain; this was known as the British intellectual preference. I followed very closely the effect of that legislation, not only in Washington and London but in Canada as well, and I was agreeably surprised after a little while to observe that in the large centres newspapers and reviews of high moral character were being sold to the people. Just before the war, however, this arrangement with Great Britain was discontinued for financial reasons. I would ask the Postmaster General to study the question to see whether it may not be possible to restore that arrangement, which I can assure him was quite beneficial.

A large number of immigrants from the British Isles are settling in western Canada. They are far away from neighbours, and of course they like to read the news from home. Shall we allow cheap dime novels and pornographic papers, published in some of the western United States cities like Chicago, to cross the boundary and become the principal reading matter of these new settlers? I think these settlers would appreciate news from home, which would help keep sacred the ideals to which they were born and bred. I am only offering these remarks to the House, Mr. Chairman, in order to facilitate the task of the Postmaster General, who I hope will become a great reformer at least in the matter of Canadian literature and the ideals of the Canadian press. It is a sad spectacle to see, even here in this good city of Ottawa which is to become a great capital, tabloid papers being sold at every corner.

Mr. IRVINE: There seems to be general agreement with respect to this bill, and I think we are all aware of the difficulties with which our publishers have to contend in order to compete with the publishers of the United States. We are also aware of the tremendous effect of literature on the public mind, and I think we all agree that there should be developed a real Canadian spirit, sentiment and outlook, and that in the creation of these national sentiments literature plays a part equal to that of any other influence. Personally I am glad that some recognition is being given to the difficulties of our publishers. There have been several suggestions made as to how they might be assisted; one is that a tariff might be placed upon American publications, while the other suggestion is that a tariff reduction should be made on the machinery, accessories and so forth used in the publishing business. I have no solution of my own; I do not know which of those two ways would be the better, but the present proposal does not raise the question of tariffs. This bill will bring about a slight reduction in postal rates, which I feel sure will be appreciated by the publishing business generally in Canada. I do not quite appreciate the point raised with respect to smaller publications; while they may not receive any direct benefit from this bill, I fail to see where they will receive any injury and I think the bill should pass.

Mr. ADSHEAD: I am not opposed to the bill, but there seems to be a disposition to inject into the discussion the question of the tariff and the question of customs duties. The whole matter of the tariff on magazines is at present before the Tariff Advisory Board, which I presume to be the proper place for the consideration of such a question. I have no objection to the board considering it, but I would object to the Minister of Finance (Mr.

Robb) raising the tariff on magazines until such time as the case had been heard by the tariff board, and the report and evidence submitted to the House.

With regard to salacious matter in our magazines, I have no doubt that it is very objectionable, but the only way to deal with that matter is by police regulations. If these regulations are not sufficiently strict, make them so, and in that way eliminate these magazines from our street corners. That is a much better way than putting a tariff on these publications, or excluding them. If they have a criminally immoral tendency let the police deal with them. There is a section in the Criminal Code by means of which magazines of this kind may be dealt with, and if the law does not cover this matter amend the law in that respect.

With regard to the influence of American magazines upon the families of our country, I rather think we are hedging our Canadian boys and girls about with so much paternalism that they will not be allowed to choose for themselves; I do not see why our young people should not read a good many of these magazines without having their ideals affected. I have raised several boys and I have never tried to exclude American magazines from their reading matter; I think perhaps they have even gone a little too far in their ideas of Canadian independence. If we attempt to restrict their reading matter in this way, I think we will be going too far, because I believe our Canadian boys and girls come of a stock which shows a great deal of initiative, and they should be allowed to exercise their own discretion.

Mr. GUTHRIE: I rise to call the attention of the committee to an incident which has just occurred and which I think should be noted. The presiding officer of this House has seen fit to address a few remarks to this committee and I think we should take note of the innovation. I do not know that I draw attention to the fact by way of protest at all, because the remarks made by His Honour were very useful to the discussion and very elevating in their tendency, but the question is whether the Speaker of this House has the right to discuss any matters before the House. If His Honour has that right in this case, I do not see why he should not have the right to discuss any matter which comes before parliament. I noticed in his remarks that he expressed the desire to facilitate the efforts of the Postmaster General (Mr. Veniot). No doubt that is a very laudable desire, but there are members of this House who do not think this measure is proper, and I doubt if it is within the right of the Speaker to express an opinion upon any matter before the House. His Honour the Speaker on more than one occasion has laid down the doctrine pronounced by a celebrated Speaker in England in these words:

> May it please Your Majesty, I have neither eyes to see, nor tongue to speak, in this place but as the House is pleased to direct me, whose servant I am here—

I think we should note the innovation, and I do not say this by way of protest against anything His Honour said, because no one has a higher respect for the Speaker of this House than I have. While a Deputy Speaker is allowed to take part in debates in the House on non-controversial matters, I have never in my experience heard a Speaker of the House take part in any proceeding except when the estimates of the House of Commons were before the committee. I think we should take note of this proceeding, because in the future it may become a precedent and I think the Speaker in his own interest should be prevented from taking part in the debates of this House. The rule says he shall not take part in the debates of the House, but whether or not that applies to committee I am not going to say at the moment.

Mr. MARCIL: Having been at one time Speaker of this House I am somewhat familiar with the practice as to the restrictions upon the occupant of the chair. We are all at one on the point involved that the Speaker should never take part in any debate in the House except for the purpose of explaining his own estimates. That is a well known rule of parliament. But I know that the House is disposed this morning to overlook the course pursued by His Honour in view of the motives which animated him. Mr. Speaker spoke for the youth of the country on high moral grounds, and to further the development of that sound Canadian sentiment which we are all striving to see realized in this golden jubilee year of the Dominion. I am sure that the leader of the opposition, as he himself has said, has no intention of blaming the Speaker, and I quite agree with him that it would be out of place for His Honour to take part in our discussions having reference to matters of ordinary, everyday occurrence. In the present case, however, His Honour spoke from his experience as Postmaster General, and with the laudable purpose of promoting the circulation in Canada of a larger number of British periodicals. Because, after all, we are part and parcel of the British Empire. We have greater interest in promoting the circulation

of British periodicals in Canada than we have in promoting the circulation of periodicals from the adjoining republic. I am responsible, to a certain extent, for having initiated the discussion upon this particular phase of the matter. But my purpose in doing so was not to prevent the entrance into Canada of American publications as such but to try and stem the flooding of this country with American advertising, which is purely a business matter. As the hon. member for St. Lawrence-St. George (Mr. Cahan) has pointed out, the Minister of Customs has power to exact from the publishers duties on the advertising matter in American newspapers that come into Canada. In this connection may I say that I was a commissioner for the city of Montreal for a number of years, and in that city a medical man or professional man of any kind cannot hang out his shingle. nor can a business man exhibit a trading sign, without obtaining permission from the municipality and paying a fee therefor. Now why should this Dominion be flooded, not through the mails but through the railway service, with huge piles of American periodicals which are nothing less than vehicles for advertising—advertising which does not appear in our own newspapers, which is not of a character congenial to us, and which is not favourable to the maintenance of Canadian ideals. It was on that ground that I spoke at an earlier stage of the proceedings, and I am sure that if His Honour went a step further than he should have done, he was influenced by the motive that we should further, on moral ground, and to the greatest extent in our power, the creation of a sound, virile Canadian sentiment, particularly among the youth of this country. We have only to look around us to see what is happening in this country. Those hon. members who are interested in the subject may read a speech, delivered in another place this session, by the chairman of the divorce committee, in which he alludes to certain ominous signs of the times. Over 1,200 divorces, for example, granted in one year. In this matter, I am afraid, we are imitating the example of the United States, where one marriage out of seven was dissolved last year. We must be on our guard as to the effect upon our young people of certain kinds of moving pictures and illustrated books, some of which are denounced even in the United States and by churches and religious organizations of all kinds. Over there these organizations have been quite free in condemnation of papers and periodicals that should not be allowed to circulate in a decent, respectable country. Some of these publications are a disgrace, they should not be allowed to enter a respectable home, and we should be on our guard lest they contaminate the morals of our boys and girls, the future citizens of our country. I feel that it is the bounden duty of the government of Canada to act in this matter, and that in any action they may take along this line they will be backed up by public opinion. We had a sad experience in Montreal in the opening days of the present year. I allude to what happened at the Laurier Palace theatre when, owing to a violation of the law, seventy-eight young children became victims of exploitation through the medium of a moving picture show. It was an event which attracted the attention of the whole world, and even His Majesty the King sent his condolences to the city of Montreal. It is true this is largely a provincial matter. But the films which are introduced into these moving pictures come through the customs and for that reason it is possible for the Minister of Customs to take some remedial action. I am sure there is no greater work we can do for this country than to purify its atmosphere, maintain a high standard of morals, and protect our young people, so that we may be able to build up in Canada a great, a prosperous and a moral nation.

Mr. SPEAKER: I am in agreement with the contention that the Speaker should take no part in the ordinary debates of the House. But this morning we are in committee, and the committee is discussing an important matter, and it was on purely moral grounds that I raised my voice against the sale of pornographic literature or newspapers on the streets of our cities. But what is really the law on the subject? The hon. gentleman has quoted from Beauchesne. May I be permitted to refer him to Beauchesne under rule 33, paragraph 159. In May's Parliamentary Practice, page 333, I find the following:

> Although the Speaker is restrained by usage while he is in the chair in the exercise of his independent judgment, he is entitled in a committee of the whole House to speak and vote like any other member.

I would not vote even in committee, and I take no part whatever in debate. I never speak except on an occasion like the present when I was able to offer a contribution, from the experience I had had, to the discussion of a purely moral question. May I resume the quotation:

> Of late years, however, he has generally abstained from the exercise of this right. Among the earliest examples are those of Mr. Speaker Glanville, on the 4th May 1640, upon the granting of twelve subsidies to the king; and of Mr.

Speaker Lenthall, on the 22nd January, 1641, against the "brotherly gift" to the Scottish nation. Sir Fletcher Norton spoke strongly on the influence of the crown, on the 6th April, 1780; and Mr. Speaker Grenville, on the regency question, on the 16th January, 1789. On the 17th December, 1790, Mr. Speaker argued at length the question of the abatement of an impeachment by a dissolution of parliament and cited a long list of precedents. On the 4th December, 1797, Mr. Speaker Addington addressed the committee on the assessed taxes from the gallery. The same Speaker also addressed a committee on the union with Ireland in 1799.

Then follows a long list of precedents, but coming nearer to our own time there are the following cases:

On the 4th August, 1843, Mr. Speaker Shaw Lefevre spoke in committee of supply on a point of order, and on the 21st April, 1856, in the same committee, the management and patronage of the British Museum—

Not a party question—

—by the principal trustees having been called in question, he spoke in defence of himself and his colleagues with great applause. On the 9th June, 1870, Mr. Speaker Denison—

One of the great Speakers in the British parliament—

—spoke and voted in committee on the Customs and Inland Revenue Bill, in support of a clause exempting horses kept for husbandry from license duty, if used in drawing materials for the repair of roads.

I repeat that I quite agree with the principle laid down by the hon. gentleman and by all authorities that the Speaker from the chair must not take part in the debate; that he must not vote unless there is a tie; but in committee he has a right to speak and to vote. I never speak unless on an exceptional occasion like this morning, on a non-party matter, on a purely moral issue, and I would not even vote. I quote these precedents to show the leader of the opposition that this morning, the 7th day of April, 1927, no revolution took place in the Canadian House.

Mr. GARLAND (Bow River): I would like the minister in charge of the bill to inform the committee as to the total weight of newspapers and periodicals moved in any given year.

Mr. VENIOT: The total weight of newspapers and periodicals going through the mails in a year is 90,000,000 pounds.

Mr. GARLAND (Bow River): What is the total revenue?

Mr. VENIOT: $1,500,000.

Mr. GARLAND (Bow River): What is the total cost of the service?

[Mr. Speaker.]

Mr. VENIOT: $8,500,000, or a deficit of $7,000,000.

Mr. GARLAND (Bow River): One is compelled now to approach this bill from an altogether new angle. We have been discussing it on rather high, abstract, academic grounds, if you like. Let us come down now to practical matters. According to the minister's statement, the total weight moved is 90,000,000 pounds, the total revenue, $1,500,000, the total cost of the service, $8,500,000, or a net loss of $7,000,000. That is bad enough and it has taken place under existing rates. The minister now proposes a reduction so that the rates may be fixed at one cent instead of one and one-half cents a pound. The obvious result of that would be an additional loss of about $500,000, and for whose benefit? Do the minister and other members of the House suggest that purchasers of these newspapers are going to have this reduction passed on to them? Not a cent of it will go to them; you cannot reduce the regular price of a newspaper by a fraction of a cent. The result is that great publishing houses like that of Lord Atholstan and newspapers handling large quantities daily are going to be the gainers, and they are going to gain at the expense of taxpayers of this country.

Mr. VENIOT: They will not.

Mr. GARLAND (Bow River): I hope the minister will elucidate that denial of his in a minute. My allegation is that the rate is being reduced to a point that will entail a further loss of between $400,000 and $500,000. That loss will come out of the pockets of the taxpayers of this country and the benefits will go to big publishers like Lord Atholstan, owner of the Montreal Star. In the United States where the service is somewhat similar to ours the news rates paid by publishers are fixed at one and one-half cents per pound regardless of the distance; the advertising rates vary from two to nine cents per pound, depending on distance. I submit that this country is not in such an extraordinarily flourishing financial position that we can afford to throw away a revenue of this kind in order to benefit great newspapers like the Montreal Star that seem to be doing well enough now.

Mr. HOCKEN: And the Grain Growers' Guide.

Mr. GARLAND (Bow River): I have no hesitation in agreeing to have that included as a beneficiary under the bill.

Mr. VENIOT: And the immense circulation in Canada of all farmers' periodicals?

Mr. GARLAND (Bow River): Certainly. But when the loss is already $7,000,000 per annum it is hard to justify a measure that will have the effect of increasing the loss by half a million.

Mr. VENIOT: I do not wish to take up much of the time of the committee because it is approaching one o'clock and I would like to facilitate the passage of this bill, but I would not like to see it pass under any misapprehension. While there is a deficit of the amount that I have stated, it has not been brought about by the carrying of the daily newspapers. It has been brought about principally by the free newspaper postage that has been given to many of the newspaper fraternity in the Dominion of Canada. While this reduction in rate will entail a reduction in revenue in the vicinity of $400,000, I hope, and I feel satisfied that I have every ground for hoping, that the increased volume of business which we are losing now from the large dailies on account of the extra amount we are charging, the heavy cost of the rate we are charging for shorter distances, because they have no forty mile zone at all, will make up for this deficit, and that at the end of the coming fiscal year, the deficit will be no greater than it is now. At the same time we shall be granting to the newspaper fraternity justice which they have a right to obtain to-day from the government of Canada. I have gone into this very carefully with officials of my department, and I have no hesitation in stating to the committee that this reduction will not entail the deficit of which my hon. friend speaks, because the volume of business will be such that we shall meet that increase in the deficit and the deficit will be no greater than it is to-day.

Mr. HOCKEN: You will have a full mail car instead of a half full one.

Mr. VENIOT: Yes.

Mr. CHAPLIN: This matter came before this House a number of years ago.

Mr. VENIOT: In 1920.

Mr. CHAPLIN: The rates in force then showed a loss to the public revenues of a very considerable amount of money and the rates were increased by the House. This reduction in my judgment is intended for the benefit of a very few people and the general consuming public will receive no benefit from it whatever. The people who are suffering from these low rates are the small newspaper publishers throughout the country. They are the people who have been hammered to death by rates because this government carries mail matter practically free. Does the committee know that under these rates mail matter can be carried from, say Montreal or Toronto to Regina more cheaply than the paper out of which a local newspaper is printed. If you ship paper from Ottawa or Montreal to Regina or Saskatoon, the freight on the paper itself is more than the express charges upon these printed newspapers. Is that fair to the local people who are trying to run newspapers? What has been the result throughout this country during the last five or six years? The country newspaper has been going out of business simply because the government is building up the larger newspapers elsewhere. Is that good business for the country? I submit it is not. These rates are neither just nor fair and I object strongly to them.

Section agreed to.

Bill reported, read the third time and passed.

FEDERAL DISTRICT COMMISSION

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved the second reading of Bill No. 280, respecting the Federal District Commission.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

On section 1—Short title.

Mr. MACKENZIE KING : Mr. Chairman, yesterday my hon. friend from Frontenac (Mr. Edwards) asked how much money had been paid out by the government to the Ottawa Improvement Commission. I find the total from 1900 to the present year is $2,665,000; in other words, an average of $100,000 a year over a period of twenty-six years.

Mr. GARDINER: I understand there is some idea of enlarging the scope of territory to include the district outside Ottawa. If that is contemplated can the Prime Minister give us any detailed information?

Mr. MACKENZIE KING: The commission has in mind the immediate suburbs—what might be described as territory more or less visible from the capital itself.

Mr. GARDINER: Does that involve going across the river?

Mr. MACKENZIE KING: Yes, possibly improvements on the other side of the river, the city of Hull.

Section agreed to.

On section 2—Definitions—"Commission," "Minister."

Mr. BENNETT: The word "the" in paragraph (a) should have a capital "T".

Mr. MACKENZIE KING: Yes.

Section agreed to.

On section 3—Federal district commission—Number of commissioners, etc.

Mr. GUTHRIE: I note, Mr. Chairman, in regard to this clause that it is proposed to appoint a commission of ten members, of whom nine shall be appointed by the governor in council, one of them to be a resident of the city of Hull and the other to be appointed by the city of Ottawa. My only comment is that in the appointment of such a commission care will have to be exercised by the government that the commission is in no way political. There must be a disregard of party politics in appointing a commission of this kind. I realize, of course, that the government will in all probability appoint a majority of its political friends; I would expect that, and would not object to it; but at the same time there should be on a board of ten a fair representation of all political parties if the commission is to work harmoniously and produce the results which we anticipate.

Mr. EDWARDS (Frontenac): Mr. Chairman, I should like a little further information as to the scope of the territory to be covered by the commission, having regard to the object in view of beautifying Ottawa. I may be lacking in appreciation, but I do not just see the necessity of spending money in the city of Hull for the beautification of Ottawa. Is any information available as to how far the driveway will go along the river?

Mr. MACKENZIE KING: As far as I have been able to gather from the chairman of the commission, the intention is to complete certain driveways that start on this side of the river, cross the bridge to the other side, and then connect with the roadways that run by the side of the Gatineau river and out towards Aylmer to the different clubhouses which, as my hon. friend knows, are situated on the other side. So far as I understand, this is not intended to be for the beautification of the city of Hull; it is rather to make in the immediate environs of the capital a system of driveways and parks which will be interlinked.

Mr. EDWARDS (Frontenac): I do not wish to inject anything of a controversial character, but I may say I have heard that certain persons are interested in the other side of the river through having summer homes there. Is it the idea to make beautiful driveways up to the homes of these persons, some of whom sit in this House and have summer residences on the other side of the river? If so, I think it is extending the scheme a little too far to spend the money of the country in that direction. Of course, I quite understand that it is very pleasant to have fine driveways in and around Ottawa, and a good deal of money has already been spent for that purpose. But there does not seem to be anything of a very definite character as to how many miles these driveways are to extend from Ottawa across the river. It is always very attractive naturally on the other side, and magnificent driveways could be made there, but for my part I must repeat what I said yesterday, and I feel like protesting for the reason that I then advanced. I appreciate that we have certain responsibilities in connection with this city, but I do not feel inclined to be silent when I find money is to be expended miles away from Ottawa in connection with these improvements, while, as I said yesterday, there are public works in other parts of the country that are receiving no consideration whatever.

Mr. MACKENZIE KING: Mr. Chairman, I am not aware of any member of the House who has a summer residence on the other side of the river except myself. I have a summer home at Kingsmere, twelve miles from here. I say to my hon. friend that if the commission were to attempt to spend any money out of this appropriation for improving any part of a driveway approaching my residence, I would strongly oppose the attempt. The commission itself made the suggestion of a federal district including Hull. I had no thought of the other side of the river being included when I was approached by the commission to allow its work to be given this larger scope. I hardly thought an insinuation such as the hon. member has made would be voiced, and if he has in mind any other member than myself perhaps he would name him and so give him an opportunity of replying. The plan of the commission, as developed over a number of years, has had in contemplation the building of

a bridge over the Ottawa river, not in the direction in which Kingsmere lies but in an opposite direction, for the purpose of allowing motors going out to the Golf Club, the Country Club, the Chaudiere Club and other places along the banks of the Ottawa river, to travel through a district which would form a part of the park system. There is also a roadway up the Gatineau river where thousands of summer tourists go. That, except as far as Chelsea, is not in the direction of my residence but in another direction altogether. Let me assure the committee that I would certainly not have thought of introducing this bill or even of countenancing it had I dreamed that any hon. member could suppose that I was personally interested in the matter one way or the other, apart from seeing the capital and its immediate environs improved as far as possible.

Mr. EDWARDS (Frontenac): I am glad to hear that statement from the Prime Minister. He will appreciate, no one more readily than he, that where there is a difference of opinion, as is likely to exist regarding this or any other expenditure, a wrong impression might easily be conveyed. I welcome his statement so far as he is concerned in relation to the approach of the roads to his summer residence. I think he has taken the proper stand; it is one which I certainly appreciate and which I believe the country will approve. I say I am glad that he has taken that position because, whatever we may think of the advisability of carrying on this work on the other side of the river, I think it is wise, as the Prime Minister will agree with me, that no false impression should be created that the work is being done with any ulterior motive or that any particular person shall benefit thereby and, most of all, the Prime Minister of the country.

Mr. MACKENZIE KING: Hear, hear.

Mr. EDWARDS (Frontenac): Above everyone else, in connection with an expenditure of this kind, he should be free from any possible imputation that the money was being used for the express benefit of the property which belongs to him. I am glad therefore to have this assurance from him.

I realize that I am not very much of a diplomat; I am not built along diplomatic lines. My method of diplomacy is to go straight at a thing and not around a corner. That is the only kind of diplomacy I understand. I make my own statements direct, and I want equally direct statements from others. By following that course we can arrive at the truth of matters and act accordingly. Now for my own part I do not like spending money across the river; it is going far afield. However, I may be wrong in that and the judgment of the House will prevail.

Mr. COOTE: It is a little out of place for the Ottawa Improvement Commission to go across the river to build driveways or create parks. I understand the park is not contemplated in this bill. It seems to me that where the money should be spent is close to the parliament buildings. There are thousands of Canadians coming to Ottawa who will never see the driveways, for during six months of the year the driveways cannot be used. The money should be spent in beautifying Ottawa and especially in the vicinity of these buildings. The buildings along Wellington street are certainly not an agreeable sight. First of all, Wellington street should be improved, and I hope the Minister of Finance, or whoever will have charge of the matter, will see to it that most of the money will be spent in improvements of this description and not in the construction of driveways outside the capital. We might also have a little bit spent in cleaning up the streets at this time of year. Some of the streets of Ottawa are a disgrace to any capital. Sand and dirt are allowed to accumulate on the top of snowbanks, and after the snow in the country has been gone for a month you can find great piles of ice and mud in the city. This condition exists about this time of year along the streets within a block of the parliament buildings and it is a disgrace to the capital. The improvement commission should do something to beautify that part of the city close to the parliament buildings.

Mr. BROWN: I was not in the House yesterday when the matter was discussed but to me it seems fitting that the parliament of Canada should set aside an amount yearly for beautifying the district around the capital. As regards cleaning the streets of Ottawa, surely the city council should attend to that. It should form no part of a great comprehensive scheme of this kind. With reference to the driveways, I am heartily in sympathy with the proposal. The federal district of Ottawa will not end at the Ottawa river. Ottawa is approached from the other side of the river as well as from this side, and if we are going into the scheme we should have long vision and enter upon it with a comprehensive plan. As regards the suggestion of the hon. member for Frontenac-Addington, it would be most unfortunate if, because the Prime Minister happened to be interested in

that particular section, the Ottawa Improvement Commision should be deterred from making a driveway even past Kingsmere should they determine this to be the best course. It would be most unfortunate, I say, for us to allow any such petty prejudice to interfere with the work of the commission. I hope that the suggestion of the leader of the opposition regarding the commission will be accepted, and that when the work is undertaken it will be done in such a manner as will produce something that will arouse the pride of all the people of Canada.

Mr. EDWARDS (Frontenac): I have been in this House long enough to see hon. gentlemen change their views with a change of geographical position in the chamber. The hon. gentleman from Lisgar is one of them. He was severe in his criticisms when he occupied a place in the southeast corner of the House, but now he is on the other side his views have been wonderfully modified. He is now willing to build roads, from Halifax to Vancouver almost, if it meets with the approval of his present leader, the Prime Minister. The hon. gentleman speaks very learnedly, with his head in the clouds, about long vision. Well, it seems to me that we shall require something more than that before we get through with this proposition: we shall require some of the long green to meet incidental expenses. The hon. member is perfectly justified in taking the position he does if he wants to beautify Ottawa all the way from this point to the city of Montreal—

Mr. BROWN: Oh no.

Mr. EDWARDS (Frontenac): —and westerly some sixty or seventy miles, or to any extent the government may consider within the environs of Ottawa. It all depends upon what the Prime Minister and the government say. If the Prime Minister says that the radius of the environs shall be ten or twelve miles to take in Kingsmere, very well; if the Prime Minister shifts his residence fifty miles away and says that the environs extend that distance, the hon. member says, "All right; make your roads long enough to take in whatever place you want to improve. We must beautify Ottawa, and Ottawa is to extend one hundred miles if necessary." I commend the hon. gentleman on his very marked change of attitude since he sat on this side of the House.

Mr. BROWN: No change whatever.

Mr. EDWARDS (Frontenac): He is becoming very tractable indeed.

Mr. BROWN: No change whatever.

[Mr. Brown.]

Mr. EDWARDS (Frontenac): There is no need for any party whip where the hon. member for Lisgar is; there is no need for even a handle to the whip. All they need do is hold it up and the hon. member for Lisgar will respond; every time they whistle they will not need a whip at all, yet he poses as a Liberal Progressive. Where does the Progressive come in? Once it was Progressive; now it is Liberal Progressive, but the Progressive is gradually dwindling away and he may as well drop it altogether.

Mr. BROWN: I will soon have the same honour as the hon. member for Labelle (Mr Bourassa).

Mr. EDWARDS (Frontenac): You can put yourself in that class if you want to, but I hope to God I never will.

Mr. BROWN: The hon. member for Labelle (Mr. Bourassa) and the United Grain Growers are the only subjects on which the hon. member can make a speech.

Mr. EDWARDS (Frontenac): The hon. gentleman has changed so often that I would not be surprised if he put himself in the same class with the hon. member for Labelle; changes come very easily to him.

I say, Mr. Chairman, that we have a certain amount of responsibility in connection with beautifying Ottawa, but in this as in other cases which I mentioned yesterday there is a disposition to spend money wholesale which in my judgment should be guarded against. What are the obligations of Ottawa in connection with this matter? Ottawa has no obligations at all. Do they receive any benefit through the fact that the seat of government is here? Look at the beautiful drives in Ottawa south; a few years ago, before the government began to spend money in beautifying the city, these drives were a series of frog ponds. What did the city get out of those beautiful drives? There are a number of splendid residences which never would have been there at all if it had not been for this expenditure. I think Ottawa is having it pretty easy; I think every government we have had has treated Ottawa pretty generously. I do not expect anyone from Ottawa to agree with that statement, because it would not be human nature; they will take all they can get and look for more; you can depend upon that every time. I do think, however, that the time has arrived when we should adopt the suggestion of the hon. member for Toronto West Centre (Mr. Hocken) and create a federal district to take

in the city of Ottawa, as is the case at Washington. If we are going to keep up the whole city, let us make it a federal district, and the sooner the better.

Mr. HOCKEN: The hon. member for Macleod (Mr. Coote) referred to the streets of Ottawa. The condition of the streets depends entirely upon the civic administration, and I agree with him that in the spring the streets of this city are in a deplorable condition. During the rest of the year and especially in the summer Ottawa is one of the cleanest cities on the North American continent, but they do not seem to have a proper appreciation of the removal of snow. If we are going to undertake to keep the streets of Ottawa clean in the spring there is only one way to do it; declare this a federal district taking in Hull, if you will, and appoint a commission to govern the city. I cannot help repeating that that seems to me the logical thing to do now, instead of waiting for sixteen years, over which period it is proposed to stretch this expenditure. That might and should, in my judgment, disfranchise the citizens of Ottawa and prevent them from voting in the federal elections, and to my mind that would be one of the best things that could happen any government. The way the Amalgamated Civil Servants hold the gun to the head of every federal government is well known to every member of this House; if a member does not know that, he has not been here very long. Let us do what they have done in the United States, create this a federal district and appoint a commission to govern the city. The citizens should pay a reasonable municipal tax, and this parliament would then undertake all responsibility for the beautification and improvement of the city. I submit to my hon. friend from Macleod (Mr. Coote) that he should get up and advocate such a commission, and the immediate creation of a federal district.

Mr. COOTE: It is too late in the session.

Mr. HOCKEN: Will my hon. friend do it next session?

Mr. EDWARDS (Ottawa): I am sorry I cannot agree with my namesake, the hon. member for Frontenac (Mr. Edwards). We must always remember that in beautifying this city we are beautifying the capital of Canada. We are proud of Ottawa; no city in Canada is more beautifully located, surrounded as this city is on all sides by scenic beauty. This bill provides that the drives for a short distance out of the city may be improved. But some hon. gentlemen think it is unnecessary to spend money anywhere except in Ottawa. We know that hundreds and thousands of people from other countries visit Canada every year, and since Ottawa is the capital city, naturally it is the place everyone wants to visit. We want these visitors to leave Ottawa with a favourable impression because if they are pleased with this city they will be pleased with the country as well.

I do not think this bill needs any defence; this improvement commission was conceived by Sir Wilfrid Laurier many years ago, and after years of residence in Ottawa I can now say as a representative of the city that the commission has accomplished wonders. Today we are asked to support a bill increasing the scope of its activities and creating a new federal commission with an increased number of commissioners and an increased grant. I think everyone on both sides of the House should agree that it is of the utmost importance that this money should be spent in beautifying not only Ottawa but the country surrounding it as well.

Mr. BENNETT: Mr. Chairman, there are just two suggestions I would like to offer the Prime Minister with respect to this matter, which has been discussed so frequently that I have no intention of taking up much of the time of the House. I desire to point out the deep interest of all citizens of Canada in beautifying the capital, but on the other hand it seems to me there should be a fixed radius within which the operations of the commission would be carried on, say within ten miles or fifteen miles of the city. I think it is an invitation to bring pressure to bear upon the commission from time to time, if the radius is not defined, and it would be greatly to the advantage of the commission if they had a fixed limit within which their operations should be carried on. It seems to me that that would relieve them from unnecessary pressure from many quarters.

My next suggestion is merely that which was made by the leader of the opposition and approved by the hon. member for Lisgar (Mr. Brown). I think the Prime Minister might well assure the House that in the selection of this commission partisan politics would be forgotten and an effort would be made as indeed has been the case in the past to secure the services of public spirited, high minded gentlemen, of whom there are so many in this community, desirous of rendering public service to the community and to the Dominion by serving upon that com-

mission. They should not be altogether men of one political faith, although probably from necessity, having regard to the frailty of human nature, the chairman would be a supporter of the administration of the day. I think an assurance of that character would make it easier for the country to accept these proposals as being in the interests of the country rather than intended to be a political move in any way.

Mr. MACKENZIE KING: May I be permitted to reply to my hon. friend's last point first. He mentioned that the chairman would be of the politics of the party in power. I may say that when the previous Liberal administration came into office we found that the position of chairman of the commission was held by a very strong Conservative. I took the view, and it was shared by my colleagues, that as he was a public spirited, high-minded gentleman who was serving the city well, we would make no change in the chairmanship, and during the whole time that my administration remained in office, Mr. Fraser, a well known Conservative, remained the chairman of the commission. It was not until Mr. Fraser resigned that a new appointment was made. I think that in the meantime hon. gentlemen opposite had been in office. When we came into office again the position became vacant, through Mr. Fraser's resignation, and we were very fortunate in being able to secure Mr. Thomas Ahearn as chairman of the commission, a gentleman who I am sure everyone in this House and in this country recognizes as second to none as an able business executive and a very public spirited citizen, a gentleman who will give to the capital great service in that position, a service it should be remembered that he is rendering gratuitously. On the present commission there are a number of Conservatives. The intention is to continue the present personnel in that regard, to make no change, and I can assure the House that when additional appointments are made the greatest care will be taken to select gentlemen who will be recognized as well qualified for the position and meriting recognition because of the place which they hold in the community as public spirited citizens.

As to fixing a limit of radius, I would have no hesitancy myself in doing that. But I understand from the chairman, Mr. Ahearn, that the commission has plans which relate to certain of the suburbs of Ottawa. Whether they come within the ten-mile radius or not I cannot say. I would hesitate, therefore, in this bill to fix a limit. I would point out, however, that whatever is done by the commission is each year subject to the review of parliament and parliament will at any time have opportunity of saying whether a particular extension is made in a direction that would not wholly meet with its approval.

May I make further reference to a point which has been brought into this discussion with respect to my own little place in the country. It lies in the Laurentian hills over in the province of Quebec. To reach it one is obliged to travel by way of Chelsea. Now no suggestions that I have seen made with reference to improvements in Hull relate to the Chelsea direction at all. They relate to the road to Aylmer, which is an entirely different road from the one taken to go out to my country residence. So far as I am concerned, I hope that I have enough appreciation of the position of prime minister to be more than scrupulous in seeing that none of this money is apportioned in a way, that, either directly or indirectly, could be said to relate to any place in the community in which at the present time I happen to reside.

Mr. BENNETT: I think the right hon. gentleman misunderstood me in reference to one question. I did not intend to suggest that an appointment immediately made to the office of chairman would necessarily be of a particular political faith, bnt that if necessary appointments were made they would be expected obviously to reflect, to some extent, the mind of the government that made the appointments. It was not suggested that the present appointee was selected for reasons of that character.

Mr. MARCIL: I had the opportunity on many occasions of hearing this matter discussed, and I am familiar with the inception of the project. There was a double purpose in view when it was inaugurated. The first was to recognize the services and obligations we owed to the city of Ottawa for the protection accorded through its police force, its fire service, and its various municipal organizations of one kind or another. And as the government services were enlarged and increased, and as we took over property for those services the city lost the benefit of the taxation of the property so brought under government control. Sir Wilfrid Laurier and his government recognized that they had obligations towards the city of Ottawa in that respect, and to compensate Ottawa for the loss of revenue referred to and the services rendered the federal authorities, it was finally agreed, after a great deal of conference, to make a grant of $100,000, and to create a commission upon which the city would be

fairly represented. These commissioners are not remunerated, and we have the assurance therefore that they are high-minded, public spirited citizens.

But there was another purpose in mind. Sir Wilfrid Laurier wanted to make of Ottawa a capital that would be worthy of the country, and he thought that by embellishing it, and improving it in every respect he would meet with popular approval. There was no dissenting voice raised against the project at that time in this House, and those who came here in 1899, twenty-eight years ago, and saw the approaches to Ottawa and the approaches to the parliament buildings would not have recognized the surroundings so greatly had they been transformed from what they were before the project was undertaken.

I am glad of the opportunity to be able to say that I approve of the government's stand in not giving any political aspect to this project. The citizens on the other side of the river, whose views have been voiced by the hon. member (Mr. Fontaine), who is not in the chamber at the moment, strongly object to being drafted into a federal district. They wish to remain part and parcel of the province of Quebec, and to continue to have the privileges that they now enjoy. They are prepared, of course, to receive their share of the embellishments which will be carried out in Ottawa and its suburbs, and will be glad that an elaborate scheme has been undertaken by the commission to construct another bridge across the Ottawa river, west of this city, in order to reach the Aylmer road, one of the finest districts in the neighbourhood of Ottawa. Some very fine clubs are located in that district, and a number of our leading citizens go there for a bit of fresh air when they want to get out of the city. In this respect I am sure that the government is well advised in taking advantage of the services of Mr. Thomas Ahearn. This gentleman is one of the most popular and most highly respected citizens in the city of Ottawa, and he enjoys the support of both political parties. I have no doubt that Mr. Ahearn, who has on many occasions declined the honour of representing the city of Ottawa in this House, to which he could easily have been returned, will find a congenial occupation in helping to embellish the capital and its surroundings. I am glad to know also that the leader of the opposition, and I am sure all those who take a pride in the city of Ottawa, will support the government in its undertaking.

Mr. GARLAND (Carleton): An impression seems to have been created that the government is paying the city of Ottawa a large amount of money and that the city is not giving anything in return. We as citizens of Ottawa, are pleased to have this money spent in beautifying the capital, and we are also pleased that Mr. Ahearn has been appointed chairman of the improvement commission. There has been a demand that the area in which the commission should carry out improvements should be defined. I understand that we have in the city of Ottawa a town planning commission having supervision over an area of ten miles from the parliament buildings in all directions. I do not know whether the town planning commission is working in conjunction with the improvement commission or not, but I am quite sure that the members of that body would be glad to associate themselves with the improvement commission in working out plans for the benefit of the city and the surrounding country.

There are some figures that I would like to bring to the attention of the committee. If the municipality as a private taxpayer, owned the amount of property that the government possesses and was assessed therefor, that assessment would represent a sum of $34,068,425. And if it owned the driveways, parks, and other properties belonging to the improvement commission, the assessment would represent a sum of $2,101,750. The amount which would be paid in taxes on these properties, if they were owned by a private taxpayer, would be no less a sum than $1,140,000 a year, exclusive of water rates. Bearing these figures in mind, I think the city is really getting the worst of the bargain. Nevertheless, the people of Ottawa are pleased that their city should be the seat of government, and that the numerous federal buildings and employees are located here. The amount of $150,000 which the improvement commission receives now is practically all taken up in maintenance and such like, so that with this increased grant there is only an additional $100,000 that can be expended. I claim that this is not enough; that the $250,000 should at least be doubled, if not trebled, if we desire to see far enough ahead. If we held the opinion that the hon. member for Lisgar (Mr. Brown) holds, this amount would be $1,000,000 instead of $250,000. The city of Ottawa receives from the government in connection with fire protection and other services, $100,000; for water the government pays to the city thirteen cents per thousand gallons up to 200,000,000 gallons, and after that it pays ten cents per thousand gallons.

When any property is taken over by the government and used for government pur-

poses, immediately the city loses the taxes on that property. For instance, nearly half a mile of property on Wellington street to the extreme west of us is a loss in taxes to the city and not of much benefit at the present time to the government. The former buildings on Sussex street gave to the city a revenue of a little over $2,000 in taxes, but when this property was taken over by the government, the city lost that amount of taxes.

I feel as a citizen of Ottawa that we have the cleanest city in the Dominion of Canada. Reflections have been made in this chamber as to this city being dirty in the spring. I have been in some other cities, Toronto, for instance, and I have found the streets much dirtier than those of Ottawa. We who live in Ottawa know that at certain times it is very hard to keep the streets clean. When you get snow one day and frost at night, you cannot clean the streets as they are able to do in Toronto which has not such a severe winter as we have in Ottawa. We have a splendid situation and everything necessary to make the capital what it should be. Tourists are visiting this city all the time. Any hon. member who is here in the recess and who comes up to these buildings will find forty or fifty cars all with United States licenses on them. It has been said that they do not travel over the driveways, but as a matter of fact they do. There is no doubt that this amount is not enough and I only wish the Prime Minister would make it at least twice as much.

Section agreed to.

Sections 4 to 6, inclusive, agreed to.

On section 7—Powers.

Mr. EDWARDS (Frontenac): I think the Prime Minister and members of the committee will appreciate from the wording of this clause why I was endeavouring to have the area somewhat more strictly defined. The clause reads:

Within such area or district.

The same thing occurs in several places throughout the bill, referring to the area or district. This in my judgment ought to be definite but it is absolutely indefinite. The term "area or district" means nothing. We do not know whether it is a five mile or ten mile or twenty-five mile area.

Mr. GUTHRIE: In the former bill it read, "In Ottawa or in the vicinity of Ottawa" which was quite as indefinite, but under this bill it is only in such area or district as may from time to time be designated by the governor in council.

Section agreed to.

Section 8 agreed to.

On section 9.—Borrowing powers of commission.

Mr. MACKENZIE KING: The chairman of the commission has suggested that it might prove advantageous to them in the matter of debentures they may issue, if the rate of interest were not fixed definitely at 4 per cent, but made a rate not to exceed what the governor in council might approve. Inasmuch as the Minister of Finance would be the one to express approval, I am inclined to think the suggestion is a wise one, and if the committee approves, I would move to amend this section by changing in the third line the words "not exceeding 4 per cent per annum" to read "to be approved by the governor in council." There might be occasions where a lesser rate could be obtained and there might be occasions where it would be advantageous to give a little higher rate in order to get certain work done within a given time.

Amendment agreed to.

Section as amended agreed to.

Sections 10 to 12, inclusive, agreed to.

On section 13—Acquisition of property.

Mr. EDWARDS (Frontenac): Can the Prime Minister under this clause give us any information as to the buildings in the block in which the post office is situated? Have the commission determined to tear down that block and make a park of that section? There was a rumour to that effect; I have nothing more definite than a rumour. I would like to know whether that has been decided upon by the commission or whether it is in contemplation.

Mr. MACKENZIE KING: I am glad my hon. friend has asked this question because yesterday I heard him say that he understood the post office building was to be torn down. That is a mistake. There is no thought of tearing down the post office building.

Mr. EDWARDS (Frontenac): I understood the whole block was to be torn down.

Mr. MACKENZIE KING: No. The post office building will remain where it is, but the property between the post office and

Elgin street and between Sparks and Wellington streets will be torn down. Parliament has appropriated a sum for the purpose and that space will become an open park just in front of the east block of the parliament buildings.

Mr. EDWARDS (Frontenac): Is it known what it will cost to expropriate that property or what is the estimated cost?

Mr. MACKENZIE KING: That has been gone into but I cannot at the moment give my hon. friend the figures.

Section agreed to.

Sections 14 and 15 agreed to.

On section 16—Annual report to parliament.

Mr. HARRIS: When this report comes before parliament I hope it will show a spirit of coöperation between the city officials and this commission. It is all important that the city officials of Ottawa should work harmoniously with the commission because the commission is to beautify the city of Ottawa, its first duty, as I see it, is to start right at home and clean up the situation we have closely around the buildings themselves. On Wellington street we have buildings owned by the government, and the conditions on the street and the approach to these buildings, especially in the winter months, is something of which one can not be proud. As the hon. member for Macleod has said, the condition of the streets of Ottawa, particularly during the winter months, is really deplorable. I would suggest to the hon. member for Carleton, if he wants to see how a city can be kept clean, particularly in the winter months, to come down to the city of Toronto and look it over. I am quite sure he was not serious in his remarks with reference to Toronto, because hon. gentlemen in this chamber will bear me out when I say that Toronto is one of the finest and cleanest cities in the Dominion of Canada.

Section agreed to.

Sections 17 to 20 inclusive agreed to.

Bill reported, read the third time and passed.

PENSION ACT AMENDMENT

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment) moved the second reading of Bill No. 234, to amend the Pension Act.

Mr. J. A. CLARK (Vancouver-Burrard): It is with considerable hesitation that I rise at this stage of the session, Mr. Speaker, to make extended remarks upon any subject, and particularly to make a criticism of the administration of a department. This subject is one which has been before parliament every year since the war. For the past two years there have been serious problems confronting the returned men which have not been dealt with, despite the fact that representations have been made by the soldier organizations from one end of the country to the other that serious injustices are being suffered mainly because, in their view, the Pension Act requires amendment. So far as I am concerned, I may say that I share their view that the Pension Act requires amendment, and I say further, and I emphasize this, I believe that many pensions are being denied to applicants because of an improper administration of the Pension Act. Regarding amendments, the Canadian Legion met during the present year at Winnipeg, presided over by General Sir Percy Lake, and they made certain recommendations, which were in turn placed before the Minister of Soldiers' Civil Re-establishment. There has been a very considerable period of time within which to consider those recommendations, but there has been no action taken, and in view of those recommendations I must say that I was astonished to read in Hansard an answer to this effect by the Minister of Soldiers' Civil Re-establishment in reply to a question asked by the member for Westmorland:

> Present pension legislation provides pensions for all disabilities "attributable to or incurred during military service" and for "disabilities resulting from injury or disease or the aggravation thereof incurred during military service." No ex-soldier who is so disabled is denied pension.

If that is a correct statement of the facts, Mr. Speaker, I would ask why did we in 1924, for instance, introduce and pass amendments to the Pension Act—amendments which have not yet become law? Did not the government and parliament consider in that year that those amendments were necessary to do justice to the situation that existed then, and which still exists? Otherwise, why did parliament unanimously pass those amendments? If the minister has not had time to give proper consideration to the recommendations of the Canadian Legion, why is it not possible for him to reintroduce at this session of parliament the amendments to the Pension Act which the government has considered, and which this parliament actually passed unanimously, but which have not yet become law?

I propose now to leave the question of legislation to other speakers, and to devote myself to a statement in regard to the ad-

ministration of this act by the present Board of Pension Commissioners. This I may say is a very distasteful task. I think all members of the House will agree with me when I say that I have been most moderate in any observations I have passed, either in committee or in the House of Commons, in regard to the Board of Pension Commissioners, or in fact in regard to any civil servants, because I have a great sympathy for their position. It has taken me considerably over one year to make up my mind that the only course which I can honestly follow is to bring to the attention of parliament the present situation which exists in this department. I might add that the task is doubly distasteful to me for another reason, and that is because members of that commission served in the war, the chairman indeed serving in the same division of the Canadian corps with me, and it is therefore doubly distasteful to me to approach this subject.

In order that I may illustrate the situation that exists, I find it necessary to deal with a specific case. I have always hesitated to do that in the past, because we are concerned here with principles rather than the particulars of an isolated case. At the same time I do not think I can do better or bring more conclusive proof as to the state of the administration than by dealing with a specific case with which I have been personally familiar since the fall of 1915, and the facts of which will illustrate my point. This is the case of private Stanley Aylett, No. 129497, who enlisted in the 72nd battalion in Vancouver on September 20, 1915. He was killed in action on September 4, 1916. Immediately after enlistment he with his wife and his mother came before me for the purpose of having determined who was to receive separation allowance. After due investigation by myself, as commanding officer of that battalion, and by Captain J. B. Pattullo, a very eminent king's counsel, we came to the conclusion that the only course to pursue was to report to the Department of National Defence—which we did on October 12, 1915—to the effect that private Aylett and his wife were separated by a separation agreement, under which private Aylett covenanted to pay his wife $500—

Mr. KING (Kootenay): Mr. Speaker, I rise to a point of order. The amendment before the House deals specifically with the Federal Appeal Board. It was understood that when this amendment came before the House there would be full opportunity for discussion, but I think my hon. friend is following a most unusual course, which is rather amazing to me, in attacking a body that has been looked upon by this House as being removed from the political field—a board that would adjudicate these cases, and on their findings the moneys voted by parliament would be paid. If we are to have a review of the various cases that have failed to secure compensation from the pension commissioners, this parliament will have to take over the board's functions. It seems to me that the line which my hon. friend is taking will be detrimental to the whole administration of the Pension Act.

Mr. GUTHRIE: Mr. Speaker, that is certainly not a point of order; it is a speech, and is very improper under the rules of this House.

Mr. SPEAKER: Has the hon. minister risen to a point of order?

Mr. KING (Kootenay): Yes, Mr. Speaker. I think it is not proper that the commissioners should be discussed and their action on a particular case reviewed at this time.

Mr. JAMES ARTHURS (Parry Sound): Mr. Speaker, at various times the minister has distinctly stated in this House that matters relating to pensions might be brought up when Bill No. 234 was under discussion. There is no question that you cannot dissociate the Board of Pension Commissioners from the appeal board. If the Board of Pension Commissioners are doing their work satisfactorily to the soldiers and to the publice, then why under heaven do we establish an appeal board at all?

Mr. RALSTON: Why have an appellate court of law?

Mr. GUTHRIE: This is a point of order.

Mr. ARTHURS: This is a point of order, and the question before the House, strictly speaking, is a change in the federal appeal board. I cannot see any reason, Mr. Speaker, why the acts of the pension board cannot be referred to so far as the appeal board is concerned, for necessarily what the Federal Appeal Board does is dependent entirely upon the course taken by the pension board.

Mr. SPEAKER: Does any other hon member desire to speak on the point of order?

Mr. GEORGE BLACK (Yukon): Mr. Speaker, as I understand, the hon. member for Burrard is urging on the House the necessity for further pension legislation, and is citing this case to illustrate his point.

Mr. CLARK: Mr. Speaker, this is a bill to amend the Pension Act. Surely on the second reading the principle of pensions gen-

erally can be discussed—whether or not the Pension Act is effective, whether or not under it pensions are being granted which by law were intended to be granted.

Mr. SPEAKER: Does any other hon. member desire to speak on the point of order?

The bill before the House is to amend the Pension Act by the appointment of a federal appeal board. I have listened to the hon. member for Burrard and so far have not observed that he was speaking beside the issue. I have only to remind him of the point that has already been raised in the House in regard to references to the Board of Railway Commissioners. The pension commissioners are not only an administrative body, they are a judicial body, as he will see in the act creating the pension board. They have the powers of a court of record, that is, they have judicial powers, and therefore the hon. gentleman must be very careful not to criticize their judgments, for he is then attacking them as judges, and of course he knows the rule that applies in such a case. If what he intends to bring before the House concerns only the administrative powers of the board, he may proceed.

Mr. CLARK: Well, Mr. Speaker, as I said at the outset, I desire to state in moderate language the facts of a particular case in order to illustrate a principle that is before the House.

Mr. SPEAKER: Supplementing what I have already said, I find that by section 9 of the act incorporating the Board of Pension Commissioners they are vested with the powers and authority of commissioners appointed under part I of the Inquiries Act, chapter 104 of the revised statutes of Canada. Section 5 of that act declares that such commissioners shall have the same power to enforce the attendance of witnesses and to compel them to give evidence as is vested in any court of record in civil cases.

Mr. CLARK: Mr. Speaker, at this point I might observe that in an effort to bring about an improvement in the administration of this department I proposed to the minister that he should attend a meeting of the full Board of Pension Commissioners and permit me to present the facts of this case in his hearing, so that he might judge whether or not there is necessity for amendments to the act or for a change in the administration. Unfortunately the minister has not seen fit to grant that request.

Mr. KING (Kootenay): I am sure my hon. friend is not really serious. It would be a most improper procedure for the minister to take.

Mr. CLARK: Does the minister say that it is an improper thing for anyone to go and listen to the deliberations of a court? Have you, Mr. Speaker, ever heard of any court where it was improper for a spectator to listen to the presentation of a case, much less the presiding officer of a department of government? What is the use of a minister if he cannot do that? Why not do away with the office?

This man enlisted in September 1915, and the question came up then as to whether his wife or his mother was entitled to the separation allowance. After due investigation the Department of Defence ruled that the mother was entitled to the allowance and not the wife, inasmuch as there had been a separation under a legal agreement. That agreement called for the payment of $500 at the rate of $30 a month from January, 1915. Some difficulty arose as to the amount and it was determined by the Department of Defence that, though the mother was entitled to separation allowance as the soldier's dependent, the wife should be given assigned pay of $20 per month; and at the time of the death of the man the wife had received all but $40 of the total amount due under the separation agreement. The agreement, by law, ceased at the time of his death. There was no longer any legal liability to the wife, because the agreement ended either by payment in full or by death. That is clearly the law. At the time of the man's death the question arose as to the person to whom the pension should be paid. The man left a will bequeathing everything to his mother, and this will was recognized by the Department of Defence. His medals, the cross of sacrifice, his personal effects were all delivered to the mother. The wife appealed to the department but was refused consideration except on the ground of assigned pay to satisfy the debt. The pension board however awarded the pension to the wife, declining to give it to the mother, though certainly by the amendment of 1920 they had the power to pay the pension to the mother and to withhold it from the wife. The mother made representations to the effect that she was entitled to the pension inasmuch as the wife had not been living with her husband, having been separated from him by legal agreement which was binding and could be enforced in the courts. She made a claim to the pension. Within ten months of the death of the man the

widow remarried, and thereupon the pension ceased automatically, so far as she was concerned. So that from that time on the pension could be paid only to the mother. The pension board met in January, 1920, and awarded the full pension to the mother, and it was paid until 1924 when, so far as I can see from the file, in the absence of any representations the board cancelled it. Now she is receiving $15 a month which the board have decided she is entitled to by reason of the fact that, as they have admitted, she was dependent for her support upon her son. Since that time fresh representations have been made to the board to have the pension paid in full to the mother. This has been refused on the ground that there had been a reconciliation between the wife and her deceased husband. Regarding that point we have on this file from a solicitor evidence which is purely hearsay. There is the following declaration on file:

I was consulted by Mrs. Harriet Aylett, the wife of the late Stanley Aylett with reference to separation allowance from her husband, a private in the said battalion in or about the month of December 1915 and had occasion to meet both herself and her said husband and go into matters pertaining to their married life.

That they produced to me the separation agreement of January 13, 1915, and both of them advised me that subsequent to the said separation they had been living together again and that the payments had not been kept up thereunder nor was it their intention to adhere to the said agreement.

That is practically the only evidence on file against the application of the mother. As opposed to that we have the conclusive proof that the payments were made and that there was no reconciliation. There is on record a contradiction of that by another solicitor in Vancouver who makes the statement, which he underlines in red ink, that it—

—is absolutely incorrect in that it states Aylett returned to his wife and the two lived happily until the time when he enlisted.

That is the only evidence on file that the separation agreement became null and void by reason of reconciliation and cohabitation. But, as I say, there is also on file evidence which proves conclusively that there was no such reconciliation. We have letters from the man to his mother written less than two months before he died, stating that there was only $40 left to be paid to the wife and that thereafter the assigned pay would be paid to the mother. We have on file, in addition to that evidence showing that according to the Vancouver city directory the wife was living in another part of the city with her mother while the man was residing with his mother. We have also sworn evidence which I will not take the trouble to read. I do not wish to detain the House at any length, but we have approximately ten sworn affidavits on this file. I will read extracts from some of them:

I, Charles R. Goodwin, of 133 Hastings street west, city of Vancouver, province of British Columbia, manager of the Goodwin Shoe Company, make oath and say:

That the late Stanley Aylett lived with his mother, Mrs. Elizabeth Aylett, at 4612 John street, next door to my home, for some time previous to his going overseas in 1916. The said Stanley Aylett had no wife living with him at the said 4612 John street.

And so on. Here is another one from a fellow employee:

I, Henry James Holton, of the city of Vancouver, province of British Columbia, employee of the Vancouver Club, make oath and say:

That I was well acquainted with the late Stanley Aylett as I worked with him and was a personal friend of his.

To my personal knowledge the said Stanley Aylett lived with his mother, Mrs. Elizabeth Aylett, at 4612 John street in the municipality of South Vancouver, province of British Columbia, from January 1915, until September 1915. After that time he lived with his mother at 1004 Nicola street, Vancouver, British Columbia.

The said Stanley Aylett worked with me at the Vancouver Club and went home to his mother's house every night after work. To my knowledge he never lived with his wife after his separation in January 1915.

In addition to those there are numerous affidavits on the same point, and the reason I stress it is that the Board of Pension Commissioners state that the only point in question is whether or not there was subsequent cohabitation between this soldier and his wife. I point out that there are on file here about ten affidavits to the effect that there never was cohabitation after the agreement; that there is the evidence of the Vancouver city directory, and that in addition an effort was made by the commanding officer and another officer of his battalion to effect a reconciliation, without avail. The man himself at all times denied that he had ever cohabited with her after the separation agreement, and in addition there is the evidence that the payments were made under that agreement and that there was complete satisfaction.

I made representations first in this matter in 1924, and I think the first letter was written by me in September of that year. From that time until the present I have been active in placing before the pension commissioners additional evidence in relation to this claim,

and I would like to quote some of these letters. On October 3, 1925, I wrote a letter in which I stated:

Apparently, it is the intention of the Board of Pension Commissioners to flatly refuse my request to analyze the evidence which I have placed before them. My desire is that this evidence be fully analyzed so that I will have an opportunity of supplementing the evidence which is not full and conclusive in the case. As the matter now stands I am completely ignorant of the ground upon which the board has arrived at its decision. I shall be obliged if you will let me have a reply to this letter as soon as you have had an opportunity of laying the matter before a meeting of the full board.

That letter was written to the secretary, from whom I received a reply dated October 20, 1925, as follows:

In reply I am instructed to repeat that in the opinion of the board Mrs. Aylett (widow) was entitled to pension. In consequence Mrs. Aylett (widowed mother) was not at any time, in accordance with the provisions of the statute, entitled to pension in a greater amount than fifteen dollars a month.

Then on January 11, 1926, I wrote the secretary of the pension board as follows:

I would like to examine this file at your earliest convenience.

No answer was received to that letter, and on January 20, 1926, I wrote again as follows:

I wrote you some time ago requesting an appointment to examine various files in your department, but have had no acknowledgement. As some of these cases are urgent I would appreciate it if you would give this matter your early attention.

There is a memo written on this letter as follows:

At interview to-day informed General Clark that while the board was glad to offer any information that was on file, not of a confidential nature, it could not accede to his request to examine the file. I further informed General Clark that in this matter the board was supported in its views by the Department of Justice.

Then about the middle of May I filed additional affidavits corroborating those already on file to the effect that there had been no cohabitation after the separation agreement was entered into, and in a letter under date of May 13, 1926, to the secretary of the board, I said:

As previously stated, I am anxious to present this whole matter to the commissioners at a full board meeting, but before doing so I would like an opportunity to examine the evidence contained in the file in your possession, so as to prepare myself.

No answer was received to that letter, and on May 25, I wrote again as follows:

With further reference to my request of the 13th, may I now have a definite reply thereto?

On May 31, this reply was written:

In reply to your communications of the 13th and 25th instant I am instructed to inform you that the board will be glad to hear you regarding the case of the mother marginally noted on Monday, June 7, at 11.15 a.m.

While it is glad to afford you any information in its possession which is not of a confidential nature, the board regrets that it cannot accede to your request to examine all the evidence on file. I may add that the board has the support of the Department of Justice in its policy regarding the confidential nature of information on files.

Well, Mr. Speaker, that left me in the predicament of appearing before the board with no evidence whatever in my possession, and I repeated my request verbally. When I found that it was impossible for me to secure the file for examination I had an interview with the then minister, now the Minister of Public Works (Mr. Elliott), who secured this file for me. I had the file in my room on the morning I was to appear before the board; it is somewhat voluminous, as you see, and I was not there quite at 11.15 o'clock, arriving shortly afterwards. I found two of the commissioners present; the chairman, although in the city, was not there. I asked the two commissioners how they expected me to present the merits of this case without access to the files; I asked them further whether the soldiers' adviser, who is provided for in the Pension Act, was entitled to examine the file before presenting a case on behalf of an applicant, to which they answered yes. I then asked whether a solicitor for an applicant might examine the file before presenting his case, to which they also answered yes. I explained that I was acting as a representative of the soldiers' adviser at his request; they knew that, because the soldiers' adviser had sent some of the material which appears on this file and which I had secured and handed to him. Furthermore it would be quite obvious to them that as a solicitor I would be acting more or less voluntarily in that capacity on behalf of the applicant. In addition to that I was interested, as a member of parliament, in seeing that full justice was done to any applicant, and that the administration of this department was on an efficient basis. Therefore I think that in my case there was every reason why I should have had the file in order properly to present the merits of the matter.

Mr. CHAPLIN: Did you not ask them if you were entitled to see the file?

Mr. CLARK: They said I was. I had had files from them in many instances in the past. I have no doubt that every member of par-

liament who has taken up cases has examined files without opposition. Well, when I returned from that interview I wrote this letter, dated June 7th, 1926:

Colonel John Thompson.

My Dear Colonel Thompson:

This morning I appeared before your colleagues and presented my views on the above case. They undertook to reopen the case. I regret your inability to be present, and hope that when the new precis is ready for presentation to the commissioners I may have an opportunity of perusing the same, and expressing my views thereon to the full board.

I feel satisfied that the correct and full facts in this case have never been before the commissioners, and that, if the case is properly understood by the commissioners, there will be no question but that the previous decision will be reversed and a pension awarded to the widowed mother.

May I ask you to give this matter your personal attention so that the case can be finally considered at some convenient time during the present week as the session is coming to a close and I am anxious to secure a final decision at the earliest possible moment.

There appears to be no answer on the file to that letter, but my recollection is that I received a telephone request asking me to prepare a memorandum of the views expressed by me before the two commissioners. It took me some days to prepare the memorandum and an opinion on the law for them. That was sent to them on June 24, 1926, marked "urgent", and then in my handwriting is the postscript:

I would ask that this case be considered by the board to-morrow (the 25th), if at all possible.

I asked further:

If, after consideration of the above, the commissioners are in any doubt on this matter I would crave leave to discuss the matter further with them personally at a full meeting of the board.

I then secured an appointment to meet the chairman of the board. I found that the chairman of the board—I am not holding it against him—had not read my memorandum and was not familiar with its contents. It may be that pressure of other business made that impossible. It was a very troublesome case because of the fact that it had been before the commissioners for so many years. I then proceeded to place before the chairman of the board my views on this question, and in speaking about the delay I remarked that there had been difficulties placed in my way. On that observation he said, "That is not true", got up and left the room, leaving me there. Of course I followed him out. On the same day, June 28, 1926, I wrote this letter:

Colonel John Thompson.

Board of Pension Commissioners.

Dear Sir,

I was just about to recount the difficulties I had experienced in this case when you flatly contradicted me and unceremoniously left your office. I did not call on you for the purpose of having a personal argument but simply to impress upon you the aspects of this case, which are favourable to the applicant, and to render you any assistance I could by reference to certain legal authorities and, at the same time, to emphasize the urgency of the case in view of my early departure from Ottawa and the many years that have elapsed since same was first brought to the notice of your board.

On the 11th of January last I wrote the secretary of your board requesting permission to examine the file herein. On May 13th, I forwarded two additional affidavits herein, and, also, stated that I was anxious to present the case to the commissioners at a full board meeting, but before doing so desired the opportunity to examine the evidence contained in the file so as to prepare myself.

In a letter from your secretary dated May 31st the 7th June was fixed for hearing. At the same time the board refused to permit me to examine the evidence on file. Subsequent to the receipt of that letter I advised the secretary of the impossibility of proceeding with my presentation unless permitted to see the evidence on the file, and more particularly the evidence which I had placed there myself. I was advised that the board refused to alter its decision, and I, therefore, placed the matter before the minister, who produced the file for me about one hour before my appointment with the full board on June 7th. I attended the meeting of the board on that date, and presented my views fully to two of the commissioners, yourself being absent, though in the city.

I might add that I have had no explanation of your failure to keep that appointment. On the same day, and subsequent to the interview, I wrote you personally and requested that the case might be finally considered during that week. To date I have had no akcnowledgment from you of that letter.

Recently I was requested by a representative of your board to prepare a summary of my views on the case for further consideration. Although I had already spent approximately three hours with the board on the 7th instant, explaining my views, I undertook the preparation of this summary and have spent several days analyzing the facts and investigating the law, and on the 24th instant I forwarded this summary to the board marked "urgent", and requested the earliest possible consideration.

In my interview with you to-day I found you had not yet given any consideration to the summary and advised me that it would be impossible to do so either to-day or to-morrow. I again emphasized my strong desire that the matter be finally settled before the House prorogued.

I do not propose to go into further details at the moment, but I once more request that this matter be given prompt consideration, and that if my conclusions are not understood or agreed with I be given opportunity of appearing before the full board for the purpose of elaborating thereon.

I have had no acknowledgment of that letter. I have here a letter dated June 30th, 1926, from the secretary of the board, reading in part as follows:

> In the opinion of the board the question of whether the widow of the deceased soldier was or was not entitled to pension depends upon whether they lived together as man and wife subsequent to the execution of the agreement.

Now on June 30th I took this same question up with the Acting Minister of Soldiers' Civil Re-establishment, the hon. member for Fort William (Mr. Manion) and requested him as minister of that department to arrange a hearing at which he should be present. Unfortunately it was impossible to have such a thing at that stage of the session. He did, however, secure an assurance that this matter would be reinvestigated and in a sympathetic spirit.

Now, Mr. Speaker, I want to draw your attention to what has been done. I have heard nothing in reference to this matter. If a decision has been reached it has not been communicated to me, neither has it been communicated to the applicant. I found for the first time yesterday that an investigation was conducted, and I will recount the nature of that investigation.

There is on the file a letter dated July 12, 1926, written to the director of the administration of the Department of Soliders' Civil Re-establishment in Vancouver, with specific instructions contained in it to interview certain people and to make a report. Although I live in Vancouver and was vitally interested in securing any information for the board and in coöperating with them in securing the true facts from 1915 to date, I never heard that the investigation was being carried on. I was not communicated with.

One of the people whom the director was instructed to interview was the widow's solicitor who has placed on file a letter and a hearsay declaration, a declaration in which he states that they told him they had lived together. That was not direct evidence at all and they were to interview him only because of this fact:

> Mr. Lucas should be interviewed and informed that General Clark has quoted him to the board as stating that he, Mr. Lucas, does not remember anything about the case. A signed statement should be obtained from him as to whether or not he now has reason to doubt the accuracy of his affidavit and, if so, the grounds upon which such reason is based.

I did interview the solicitor and he did tell me that he remembered nothing about the case. I see nothing extraordinary about that because his declaration is dated in 1917 and my interview with him was in 1924, or seven years afterwards. If he did not refresh his memory by looking up the files and taking considerable time over the matter, he certainly would not be likely to remember much about it. There is nothing extraordinary about that. He did so tell me and I so stated to the board. I will however accept his evidence at its face value. It is hearsay evidence; even if everything that he states is true, it is not evidence at all.

The other people to be interviewed were the mother of the widow and the wife of a contractor. This latter woman, by the way, had made the statement that the widow had lived in her apartment house and that she always thought she was a widow; that she had never seen any man with her there. But her husband apparently had made a statement to the investigator of this department that Aylett, the deceased, had frequently or at some time visited the widow there. So far as I can see there is no confirmation of that by sworn testimony.

These were the three who were to be interviewed, but there were no instructions given to investigate the accuracy of the other affidavits which are on this file and which are probably ten in number, although I have not counted them. No instructions were given to interview those who indicated that they were favourable to the case of the mother. Apparently only those who had given unfavourable evidence previously were to be interviewed. Let me quote one or two paragraphs from these statements. This is a letter by Nellie M. Wood, dated 7th August, 1926, in which she stated:

> I explained to Mrs. Aylett that the only knowledge I had respecting Mrs. Harriet Aylett—

That is the widow.

> —was that at one time she did reside with her mother at Irving court, and that as I never saw her husband or any man about the premises at any time, I naturally presumed she was a widow, to which statement I still adhere.

Then this declaration is filed:

> I, Sarah A. Cusack, of the city of Vancouver, ... do solemnly declare that I have been the manageress of Shaughnessy lodge, Vancouver, B.C., since May, 1914.

This was one of the places where this man was supposed to have resided with his wife after the separation agreement. She continues:

> I have a very clear recollection of Mrs. Harriet Aylett, residing in this apartment house, together with her mother and sister. I

am only too pleased to verify the fact that there is no question whatever, that Mrs. Harriet Aylett was at all times a strictly moral woman and her character was always above reproach. She was at all times a perfect lady, but always very sad and quiet.

There is no suggestion there that the husband was ever around. I notice that in several of the reports of the investigators this man is referred to as a weak character, and it is stated that probably because he was a weak character he would be likely to write just as affectionate letters to his mother as to his wife. The facts are that no evidence has been produced from the widow that she ever received a letter from her husband while he was in France, but there are copies of very affectionate letters to his mother and these suggestions from the investigators that this man whom they had never seen was a weak character are entirely uncalled for. Before this man proceeded to France, he was one of one hundred chosen out of eighteen thousand as a guard of honour for His Majesty the King. He paid the supreme sacrifice, being killed in action in France while serving his country. He made a will in favour of his mother, a will recognized by the Department of National Defence. He wrote to his mother and apparently did not write to his wife. With this evidence as it appears on the file, I am forced to the conclusion that these facts have never been properly presented to the Board of Pension Commissioners, or they could not have arrived at the conclusion that:

There appears to be no doubt that the agreement of separation was rendered null and void by the subsequent cohabitation of the soldier and his wife.

We are surely all determined to see that justice is done, and if there are cases that we as members of parliament or as private citizens are prepared to present to the Board of Pension Commissioners, we should be given an opportunity to do so. By the way a proper presentation in detail in this case would in all probability take some hours, but I am satisfied it would disclose that the summaries of evidence prepared for the Board of Pension Commissioners to pass judgment upon were prepared by men who do not understand the analyzing of facts for presentation to a judicial body.

This file discloses to me a situation which in my opinion calls for a very careful investigation. I was prepared to coöperate with the minister and carry out that investigation, with the minister alone present, so that he could hear my presentation of this case in detail, and thereby avoid the publicity involved by bringing before this House the situation which exists, and which is in my opinion extremely serious from the point of view of applicants for pensions in this country. I shall at all times be prepared, Mr. Speaker, and I think this file will bear me out in that, to give any amount of time to elaborate on this case, or to go out and collect additional evidence for the pensions board, so that the board will have before them the full evidence. I urge as strongly as I can that the time has come for a full investigation into this department, and if an investigation is not made between now and next session I would suggest that an investigation might be made before a parliamentary committee both on questions of administration and as regards the amendments that are required to this act.

Mr. JAMES ARTHURS (Parry Sound): The hon. member for Vancouver-Burrard (Mr. Clark) has given only one of the many cases which gave rise to the appointment of the Federal Appeal Board. If the public and the returned soldiers and would-be pensioners had been satisfied with the decisions of the pension board there would have been no necessity for the appointment of the appeal board. The minister himself apparently in this act recognizes the advisability of continuing that appeal board. He has already stated to the House that he would be prepared to give us certain figures as to the number of appeals, and so forth.

There can be no question that many of the decisions of the pension board have not been satisfactory from the ordinary point of view, and the fact that the appeal board has been constituted, and has acted, and acted well, and is to be continued, is simply evidence that just such cases as those illustrated by the hon. member for Vancouver-Burrard do occur, and have occurred.

I would ask the minister, before this bill passes, to carry out the undertaking which I think he has given the House and let us know how many appeals have been made to the Federal Appeal Board, how many of them have been successful, and how many otherwise. I think that information is essential, because such cases as have been brought before the House this afternoon surely illustrate how necessary it was to appoint a federal appeal board. I believe with the hon. member for Vancouver-Burrard that the pension board have in many cases acted only on a certain amount of evidence that came into their possession and did not look for the other side of the case, and it was therefore

absolutely necessary that an appeal board should be appointed. I would also ask the minister to tell us, either after six o'clock or before, as I asked the other night, how many cases have been acted on under the meritorious clause contained in the act of 1925, and how many of these cases have been successful. My information is that there has been very little done under that clause.

I do not wish to delay the House now, but I could bring before it cases that might appeal even more sympathetically than the one brought forward this afternoon by the hon. member for Vancouver-Burrard—a case, for instance, where under the Pension Act itself it was impossible for the pension board to grant a pension. I am willing to admit that, but surely under the meritorious clause something should be done in these very deserving cases.

Before taking my seat I would again ask the minister to tell the House the number of cases that have been before the appeal board, and the number successful and otherwise, as well as the number of cases coming under the meritorious clause and how many have been successful and otherwise.

Mr. L. J. LADNER (Vancouver South): Mr. Speaker, I rise to say some words with reference to this bill, and particularly with reference to the general question of administration of the Pension Act. To me it is a great disappointment that in this the first session of a new parliament steps have not been taken by the government to bring down early in the session legislation for which there is the most pressing need, not only in regard to the actual cases of extreme hardship which are known to the department, but also in regard to the many cases which are not before the department and the details of which are little known. The present Minister of Soldiers' Civil Re-establishment (Mr. King) has only lately taken that post, and in my experience with him he has done everything possible to facilitate the meritorious and deserving cases, but the government generally seems to be very lethargic or indifferent in the matter of grappling with this question and taking hold of the problems which confront the returned soldiers. I myself in 1923 introduced legislation concerning amendments to the Pension Act, embodying ideas that were common throughout the country at that time and have been emphasized time and again since. During the last two years we have had no legislation of any consequence relating to pension matters. In 1925 there were some minor amendments only, and in 1926 there were none. Now we find the returned soldier organizations presenting a memorandum containing in the most complete manner their suggestions based on actual experience. If the government could not have presented the proposed amendments to the House this year, I think they could at least have carried on an investigation which would have advanced a solution of these problems. Just to indicate how widespread is this demand on the part of the soldiers for action I might mention that only a couple of hours ago I received a wire from the Collingwood branch of the Canadian Legion in these words:

> Have wired Dr. King registering protest against postponement of pensions and insurance legislation.

I stated on the orders of the day the other day, and I wish to repeat now, that in my judgment it would be a great mistake for this parliament to hurry the business of the session to a close at an early date and neglect to attend to these vital matters which should receive attention. I wish to repeat the assertion I made then, and I think I can properly do so because this is practically the first occasion on which I have addressed the House this session. I wish to repeat what I said the other day, that the men who are suffering from the ills of war, who spent their time in France in the service of the citizenship of this country and of its institutions, can now properly call upon members of parliament to spend a few days or a few weeks, or months if necessary, to deal with these urgent questions which so vitally affected them, and it is to be regretted that the apathetic and unsympathetic attitude which in my judgment is characteristic of the pension board seems to have permeated government circles.

Some of these matters which the Canadian Legion have brought forward—I will not go over them in detail—are of urgent importance. They relate to the soldier himself, to the widow, to the children, to the orphan, and to the other dependents of the soldier. They cover technicalities in the Pension Act which have made its administration contrary both to the will of parliament and the people of Canada and I do not think it would require such elaborate consideration as the minister suggests to take care of some of these more urgent matters under the present bill. I say this because these questions have to my knowledge been considered for the last four years, evidence with respect to them has been presented to parliamentary committees by soldier institutions, and there are men in the department who thoroughly understand them and realize there are technical defects which require no consideration to correct.

Let me refer for a moment to a particular case which the minister has been kind enough to offer to take care of under the existing law. It is the case of James Frew. James Frew is entitled to a pension, and is now an inmate of a military hospital. The pension board, as so frequently happens, turned down his application. Under the statute he must make his appeal through the soldiers' advocate within thirty days of the pension board's judgment, and James Frew accordingly instructed that official to proceed with his appeal within a few days after receiving notice from the pension board of their refusal of his application. Through an error in the office of the soldiers' advocate, not due to the official himself, the statutory period of thirty days passed by and no appeal was made. The error was discovered and the appeal proceeded with. The Federal Appeal Board decided, as it so often does, upon the inherent merits of the claim and awarded a pension to James Frew. The pension board thereupon exalted itself to the position of a court of appeal over the Federal Appeal Board and maintained that as the appeal was not proceeded with within the statutory period, therefore the Federal Appeal Board was wrong in its decision and the pension should not be paid. The poor man is in a serious state of health in the hospital, and he is very seriously handicapped by the lack of a pension.

I took the case up with the department, and in this respect I want to commend the minister for his kind offer to remedy the situation. Personally he is not to blame at all. I outlined all the facts to the deputy minister last year and proposed to him that there be put in the Pension Act a provision such as is to be found in the Supreme Court Act, vesting authority in the court to extend the statutory period of time in order that justice may be done. There is no discretion granted to the Board of Pension Commissioners and they are very dogmatic and dictatorial in administering the act. It would have been very simple for the department to advise the minister of this defect in the act and that the necessary power should be given to the federal appeal board to grant an extension of time for appealing or taking other steps where good cause could be shown for the delay. But what happened? The pension board and the deputy minister refused categorically to make any suggestions for such an amendment. Then I proposed that if they would intimate to me when amendments to the Pension Act were under consideration I would bring in my amendment as a private member, but they said they did not think any amendments would be considered. There is an example of sticking fixedly by a decision irrespective of its injustice to the man who by the will of parliament and the Canadian people should receive a pension.

These and other cases in the administration of the act are evidences to me of a most unsympathetic attitude and confirm the charge which I have long made, and which I repeat now, that whenever there is a question in doubt the pension board, although they have all the necessary evidence to establish the applicant's claim, throw the burden of proof upon the applicant—the very person who is without evidence. Against these things the soldier bodies of this country object. Indeed, if they were not law-abiding citizens in some cases they would be incited almost to revolt because of the flagrant injustice of which they are the victims.

Now, Mr. Speaker, there are some other matters which should have been dealt with this session. The information is already in the department to enable the minister to come to a conclusion. Let us take, for example, the allowance to orphan children of thirty dollars per month. I refer to this because I have been asked by women's organizations connected with soldier bodies to bring it to the attention of parliament. To-day this allowance is quite inadequate for orphans reaching their teen age, because they then are more expensive to maintain than a grown person. It is suggested that the allowance should be increased to forty-five dollars per month. This of course means an increase in the pension allowance, but not to such an extent as to make it unreasonable for parliament to grant.

Let me refer to another point of administration. Under section 1 of the act dealing with the age limit on pension to children it is provided:

> No pension shall be paid to or in respect of a child who, if a boy, is over the age of sixteen years or, if a girl, is over the age of seventeen years, except when such child and those responsible for its maintenance are without resources and the child is unable, owing to physical or mental deformity, to provide for its own maintenance, or where such child is following and is making satisfactory progress in a course of instruction approved by the commission, in which case the pension may be continued until such child has attained the age of twenty-one years.

I ask the House to bear with me for a moment because the interpretation of this section shows conclusively the unsympathetic attitude on the part of the officials in administering the act. The point to which I wish to direct attention is the extension of

time in the advanced stages of a child's education. I have under my hand what I believe is authoritative information that approximately 98 per cent of the applicants for extended pensions under this section are refused. If the father who provided for these children had not been killed overseas, if he had not made the supreme sacrifice, he would have been here to give them the necessary education. The department's refusal was based upon a ruling which differs from the interpretation which most of us would give to the law. According to them "satisfactory progress" does not mean what it naturally would to us; it refers to those who "show exceptional ability." In other words, there is a constant effort to limit and narrow the field within which claims may be made for pensions by those who are entitled to them.

There is another question, the facts regarding which are all in the department, which it would not take the government half an hour to make up their minds upon. I refer to the matter of burial, medical and hospital services to children and other dependents. The present pensions to dependents and orphans make no provision for grave emergencies and serious illness, hospital and burial expenses. Apparently the provision is designed to take care of the minimum normal requirements, but it seems to me that it should include such expenses as I have referred to. I mention these as some of the matters that ought to be considered.

I was not present if the minister made any statement in reply to a question I asked on the orders of the day a short while ago as to whether or not the time would be extended for returned soldiers' insurance. Was an answer given to that question?

Mr. KING (Kootenay): Yes, on March 30, I think.

Mr. LADNER: Was it a refusal?

Mr. KING (Kootenay): Yes; it could not be considered this year.

Mr. LADNER: I do not approve of the minister's decision, but that I suppose is a matter of difference in policy. I do commend the minister in coming to a definite decision instead of being altogether indifferent and leaving the matter in a more or less unsettled state as some of us have reason to know is done in regard to other things.

I want now to refer to two or three cases to illustrate the point I am making, that the department is unsympathetic and that their effort appears to be to avoid paying pensions rather than to favour the applicant in doubtful cases and thereby do justice. I refer first to the case of R. E. Worthington, which can best be stated by reference to a letter I have on file from this man. I quote:

> To make a long drawn out story short, I was finally taken very seriously ill with an hemorrhage, gastric ulcer not a duodenal ulcer, as Ottawa thinks. The doctor was called in at 5 a.m. on November 17, 1924, and inside of half an hour I was in the operating table for a major operation at St. Paul's hospital, about six blocks away from where I live. I may say that I was not expected to live the day. However I ultimately recovered and asked for payment of the hospital account and the doctors' fees, including two special nurses. The account runs approximately $600 (only for hospital bills and M.D.'s.). I did not ask for pay and allowances of my rank (which is captain).
>
> You will read from the enclosed letter that I should have applied for permission to the nearest military hospital. Now, Mr. Ladner, how in the world could I have had time to make such application when the whole thing was done in half and hour and in the middle of the night almost. Indeed, the attending physician said I would not reach the hospital alive, which was only a short distance away. It was a question of life and death which I think should be recognized by the medical authorities.
>
> Now then supposing I had died on the way. It has been recognized and admitted in the enclosed letter that my illness was occasioned by military service. In that case my wife would have claimed a pension for the rank of captain. Don't you think, that in such a crisis, coming on in a moment, one could not think of asking to be admitted to Shaughnessy hospital which is at least four miles from my home? Then again it is a question of getting a dying man to the nearest institution.

I communicated with the department in reference to this case and received the reply that the man ought to have applied to the nearest pension authority. If that had been done the pension authority would undoubtedly have agreed to allow this doctor to do the operation, and the expenses would have been paid. I would point out however that the exigencies of the case were such as made it absolutely impossible for him to communicate with a pension authority. I want to be absolutely fair in these matters, especially as I know the officials experience great difficulty in administering their department. But I do not think that such treatment is fair, and the suggestion, conveyed in a letter to me, that the man knew a night or two before he was taken to hospital that there was something wrong with him, is not warranted. In the space of half an hour he was seized with this illness—this can be confirmed—and in a dying state he was rushed to the hospital. He had no time to think of formalities and technicalities. An hon. member suggests that he would not know the formalities. That is more than

likely, but at any rate it is certain that he had no time to consider such things. Yet the department refuses to consider his case and reimburse him. That in my opinion, only confirms the statement that the department is unsympathetic, one might almost say heartless, in its attitude towards many of these splendid men who have suffered disabilities and illnesses in consequence of service overseas.

I want the minister to understand that in making these statements I have no intention whatever of indulging in a political speech. We are five years from an election, and in any case this matter is of great importance and far transcends the narrowness of partisan politics.

Mr. POWER: It may be to fulfil a political promise.

Mr. LADNER: There is no reason why the hon. gentleman should suspect me of following his own practice.

Mr. POWER: That is not my practice.

Mr. LADNER: I live at another end of the continent.

Mr. POWER: Too bad for you.

Mr. LADNER: No, on the contrary it is a good thing, in view of my hon. friend's idea of political morality.

I have two or three files full of cases such as the one I have cited. There are instances in which there is merely a misunderstanding of the intent of the law, but in a large number of cases there is revealed an indifference to the condition of these men and a desire to get out of paying the money to which they are entitled. Here is the case of John S. Hunter. The record number is 505,378, the pensioner's number being 136,439. This man was injured in the foot overseas and on discharge he claimed a pension and received it. He was in receipt of the pension for four or five years but one day he got a letter informing him that it would no longer be paid. The pension was finally reduced by half. However, the man made complaint, and the reply came that no remedy was forthcoming, for the reason that at the time of his enlistment, to quote the words of the letter, "there was a tendency to flat feet." On behalf of this man I wrote pointing out that when the pension was first granted all the evidence, including his hospital sheet, was before the pension authorities just as it was when the pension was discontinued. Not a single change had taken place, either in fact or in evidence, to cause the pension board to withhold the pension or to reduce it. Why did they change their minds? Did it arise from a deliberate policy to cut down on pensions? Why did they pay this man and then, on the same evidence, with the same facts and the same medical sheet, suddenly decide he was not entitled to pension? That is exactly what happened, and I have never yet received an explanation except when one of the officials stated that they may have made a mistake in the first place in granting the pension. That is a typical case, and I appeal to hon. members whether or not the representative citizen of this country would not have decided that the pension board should have given the poor fellow the benefit of the doubt rather than take away his pension after he had received it under the same law and facts for four or five years.

I mention that as another indication of the lack of sympathy on the part of those administering the Pension Act; I had intended to refer to other cases, but I wish to expedite the business before the House. There is the case of Sarah Louisa Atkinson, which is equally meritorius; there is the case of James Parker Fee, whose disability was attributable to war service and was so established by the medical board, but whose pension was refused; there was the case of Charles Edward Bower, and as a matter of fact I suppose most hon. members have had a number of cases of people who claim pensions. I have endeavoured to select those cases which from my knowledge of the facts and my knowledge of the law have the weight of evidence in their favour, and in which the pension board had no right to refuse pensions.

The charge I make against the board is the same as that made in three previous years, and I find that a great many other hon. members now have the same viewpoint. It is my conviction that the board have been in office so long and are so tied up with red tape that they have become unsympathetic to these unfortunate claimants and narrow in their interpretation of the law; and that they have tended to put the onus of proof more upon the applicants. The board seem to have an unwarranted desire to save as much money in pensions as it is possible to save. I realize that those are strong words, but if hon. members could read the heart-rending letters which I have received and could visualize the homes upset and lives distressingly disturbed; if hon. gentlemen could picture the little children who, instead of being educated as their fathers would have done had a kind Providence led them safely home, must now go to work at an early age, I think it would

be found that the language is not too strong. I have had widows and wives ill in health, broken in spirit and without work, come to my office in Vancouver for assistance in their claims but who have been refused pensions on the slightest and most unworthy technicalities. Many hon. members have had the same experience I am sure.

Mr. SPEAKER: I do not think the hon. member was in his seat a few moments ago when I stated that in speaking of the Board of Pension Commissioners one must bear in mind that they have a double function; they are administrators in some respects and judges in others. The hon. gentleman is attributing unworthy motives to awards made by that board, and in so doing is reflecting upon the character of those judges, because that is what they are in certain respects.

Mr. LADNER: I wish to conform to the rules of the House, but I am merely stating true facts of which I have personal knowledge. I do not wish to reflect upon the commission—

Mr. SPEAKER: Or their motives?

Mr. LADNER: I do not think I referred to their motives.

Mr. SPEAKER: The hon. gentleman stated that they had refused pensions on most unworthy pretexts.

Mr. LADNER: If I may repeat it, what I did say was that in the decisions given it has appeared as though the board were endeavouring to save money and to force the onus of proof upon the applicant more than was formerly done. I think that is a fair statement to be made by a member who is seeking to do his duty. I have no doubt there are many members who take the opposite view, and if so they are entitled to state their opinions as well. My real purpose in these remarks is this: I would like to see the government seriously take hold of the question of policy, and seriously consider the representations which have been made by the various soldier organizations. Let them consider the facts and suggestions, by which any reasonable man would be convinced. The case of James Frew, which I pointed out a few moments ago, is typical. Under the act there is no provision by which appeals can be made after thirty days, and there is no authority such as is given to courts to allow an extension of time where good reasons are shown. These are things for which there can be no excuse while one man rests under a disability and an injustice as is the case with hundreds at present.

I have nothing further to say on the question, but I do earnestly urge the government and the minister to take time between now and the next session of parliament to consider thoroughly all these questions and to have legislation ready at the beginning of the next session which will correct these clear defects and offer a solution to those other problems which may be a little more complicated. There may be some questions for which it is difficult to find a solution, but there are many on which a few minutes' reflection or a glance of the eye will warrant decision and action. The government have a responsibility for not attending to this important matter this session, and they have a duty to look after it next session and make those changes the necessity for which is apparent to any reasonable and sensible government desiring to apply the pension as was intended and is now desired by the people of Canada.

Mr. C. G. POWER (Quebec South): It was not my intention to take any part in this debate until I listened to the remarks of the hon. member for Burrard (Mr. Clark), who I am sorry to see is not in his seat. His remarks, generally speaking, had reference to one particular case, and before this high court of parliament he tried a case which has been already tried by a tribunal duly appointed by this House. In French we say, "Un plaideur malchanceux a vingt-quatre heures pour maudire son juge." The hon. member for Burrard, instead of taking twenty-four hours in which to curse his judge, brought the whole case before this House. I listened to it very attentively, and it seems to be a very complicated matter. The Board of Pension Commissioners in their wisdom, having at their disposal investigating officers; having heard from the eloquent lips of the hon. member on several occasions, and having read from the even more eloquent pen of the hon. member the whole facts of the case, have decided against him. After listening to his remarks for some time it semed to me, though I have every sympathy for the widowed mother of the deceased soldier, that the hon. member for Burrard was rather more interested in the fact that his feelings were hurt than that the pension was withheld from the person to whom he makes reference; it seems to me to be more of a case of lese majeste than a case of a really deserving character.

After having listened to him for some time I heard him say that he was very much offended because, forsooth, Colonel Thompson after listening to him—

Mr. CLARK: I rise to a point of order. That is an absolutely incorrect statement. I did not say that I was offended because Colonel Thompson did nothing. Furthermore, if I may make myself perfectly clear on the question on the point of privilege, I wish to say that my personal feelings have not been hurt at all. So far as I personally am concerned that phase of the matter has never entered into this case, and the record will show it. The record will show great forbearance on my part, a forbearance for over three years; and the only reason I have made the statement now is in the hope that I may bring this situation to the attention of the government and influence them to deal with it.

Mr. POWER: I have no objection to my hon. friend interrupting me for the purpose of making a correction, but he must not deliver a speech. Of course I accept the hon. gentleman's word, but I listened to the reading of a letter which he had addressed to the Board of Pension Commissioners on the day following, or some days following, this remarkable interview in which Colonel Thompson walked out—

Mr. CLARK: The interview was only an incident.

Mr. POWER: —and I gathered from listening to the letter that at the time my hon. friend wrote it he considered he had been offended.

Mr. CHAPLIN: And you concluded you would have been offended under like circumstances.

Mr. POWER: I think I would have been. I do not blame my hon. friend. I have been offended and by the very same persons, but I did not think it was necessary on that account to take the whole of the cases I had brought before the board and submit them to the House of Commons. The law enacted by my hon. friends opposite was brought into force for the specific purpose of taking the whole question of pensions out of politics. For that reason we have, I think, since the war, and even during the war, treated the question of pensions for returned soldiers almost as a non-political one. The Board of Pension Commissioners was formed, practically by common consent, into a judicial body. Their tenure of office was fixed at ten years, they were not to be removable except on the same grounds as those for which a judge is impeached, and it is for that very reason I understand, Mr. Speaker, that you refuse to allow us to impute evil or improper motives to members of the board. I have thought on many occasions that it was my duty to rise in the House and declaim against certain members of the board. I have thought sometimes that their judgments were not sound. I might go even further in my characterization but Mr. Speaker, perhaps would correct me. I have thought their judgments were not sound, not based on common sense, but I do not think that this is the place in which to try cases wherein, in my judgment, they err.

Now let me follow my hon. friend from Burrard still further in his remarks. He says, undoubtedly without political bias, that my hon. friend the Minister of Soldiers' Civil Re-establishment (Mr. King) should be at his disposal to go and meet the Board of Pension Commissioners. He says that when he has business with the board he has a right, in the name of the returned soldiers, to say to the Minister of Soldiers' Civil Re-establishment, "You come with me".

Mr. CLARK: Not at all.

Mr. POWER: If the hon. gentleman did not say that I do not know what he meant.

Mr. CLARK: Not at all.

Mr. POWER: He said it was the duty of the Minister of Soldiers' Civil Re-establishment to be present when claims were made.

Mr. CLARK: Once more, Mr. Speaker, I absolutely contradict the hon. gentleman. That is an incorrect statement. I did not say anything of the sort. I said that I appealed to the minister on the ground of a certain condition existing in the administration of his department.

Mr. POWER: That he should go.

Mr. CLARK: That he should go and hear one particular case as it would clearly illustrate, as regards administration, the situation in all cases. I would not ask the minister to go in all cases, but simply in this particular case to illustrate the situation in regard to administration. That is all.

Mr. POWER: He asks the Minister of Soldiers' Civil Re-establishment to go with him before the board. It was not right, it was wrong, it was unjust, when my hon. friend the present minister did not go, but it was a

very different matter when the acting minister, belonging to the party of my hon. friend himself, last June was not able to go, saying that he was too busy.

Mr. CLARK: I did not criticize either.

Mr. POWER: If my hon. friend did not criticize I do not know what he means.

Mr. CLARK: I simply stated the facts.

Mr. POWER: I remember my hon. friend waxing quite indignant and saying it was the duty of the Minister of Soldiers' Civil Re-establishment to appear before that board.

Mr. CLARK: His duty to do what?

Mr. POWER: Saying that it was the duty of the Minister of Soldiers' Re-establishment to go with him before the board.

Mr. CLARK: In all cases.

Mr. POWER: The hon. gentleman did not say in all cases, he was talking of this particular case. Now if the failure to do that aroused indignation in my hon. friend's mind because the Minister of Soldiers' Civil Re-establishment now sitting here did not go, surely it should have aroused far more indignation in the mind of my hon. friend when he was wounded in the house of his friends. Let me go further. The object of this law, as I said, was to take the matter of pensions out of politics. If you are to permit the minister, the man who controls this department, to appear and to assist at the sittings of this body you will cause the impression to go out—by implication, either directly or indirectly—that the minister is influencing the decisions of the board. To that I object. I think it has been decided by this parliament in its judgment that the minister should not interfere with pensions. Many a time my own constituents have written to me to say: You have influence with the minister, you support him, you are on his side of the House, ask him to go before the Board of Pension Commissioners with you, ask him to write to the pension board. Never since I have been a member of this House have I asked the minister to influence the Board of Pension Commissioners in any way, but let me say that many a time it would have done some good if they had been influenced in the right direction.

There was another remark made by my hon. friend to which I think we have a right to take exception. He accused the government of shameful neglect because they had not put into force certain recommendations of the pensions committee of 1924. Surely my hon. friend would remember that the bill passed by parliament on the recommendation of the pensions committee of 1924 was defeated not in the House of Commons but in another house.

Mr. CLARK: I said it was passed unanimously by this House.

Mr. POWER: I have here a copy of the Veteran of July 26, 1924, containing a table showing the disposition of the legislation affecting ex-service men and their dependents in the session of parliament for that year. That table is as follows:

Disposition of Legislation Affecting Ex-Service Men and Dependents, at the 1924 Session of Parliament

Subject Matter	Royal Commission Recommendation	Special Parliamentary Committee Recommendation	House of Commons Action	Senate Action
Pension bonus	Five years' extension	Permanent incorporation with pensions.	Approved permanent incorporation with pensions.	Permanency rejected. Bonus extended one year only.
Appeal from all decisions of the Pensions board, including assessment.	Proposed in second report	Approved	Approved	Eliminated.
Canteen funds	Division by provinces with trustees in each province to secure ex-service men's opinions.	Not within scope of reference	Approved	Eliminated.
Soldier settlement	Need of adjustment recognized	60-40% reduction on live stock prices. Interest exemption extended till 1934. Re-location of men now on poor land. 5% off on prepayment.	Government investigation before next session promised, with emergency provisions as needed, based on the committee's report.	Not dealt with.
Pensions board actions adverse to pensioners' interests.	Amending legislation first and second reports to limit board's powers.	Re-organization of board as essential to equitable administration.	Committee report too late for discussion—to be dealt with next session.	Not dealt with.
Pensions for widows married after appearance of fatal war disability.	Recommended with limitations	Approved	Approved	Eliminated.
Restoration of pension to war widow whose second husband dies.	Recommended where widow is left in a dependent condition.	Approved	Approved	Approved.
Pension to dependents of men dying from any cause and whose pensionable disability was 80% or more.	Extend time limit from five to ten years.	Approved	Approved	Eliminated.
Pension for pre-war misconduct disabilities aggravated on service.	Pension for full amount of disability at discharge from army.	Approved	Approved	Eliminated.
Adjustments on computed pensions	Retroactive restoration when disability found to be increased, and minor changes.	Approved	Approved	Eliminated.
Time allowed for appeal applications	Not dealt with	Two years after appointment of Appeal Board, or one year after decision complained of.	Approved	Approved.
Meritorious cases not otherwise provided for.	Recommended in second report	New clause to avoid technicalities.	Approved	Approved, with amendments.
Minor Pension Act amendments	7 recommended	7 approved 3 added suggestions.	10 approved	3 eliminated. 4 approved. 3 approved with amendments.

Can my hon. friend then justly claim that we on this side of the House have not been sympathetic to the returned soldier? Is it fair, just or reasonable to endeavour to make political capital out of a matter of this kind when it is his own friends who have displayed a lack of sympathy towards the soldiers? It was not the Minister of National Defence, who was chairman of the special commission which investigated the grievances of the soldiers, who was unsympathetic to them.

Mr. CLARK: He did good work.

Mr. POWER: I thank my hon. friend for saying that. The minister is a great influence in this government. Does my hon. friend think he will not continue to work for the returned soldiers?

Mr. CLARK: I think he will.

Mr. POWER: Does he think the minister will not continue to work for those for whom he fought not only while he was in France but after he returned to Canada? It is unjust, unfair and highly improper, at this stage of the game when the war has been over for ten years, when for ten years we have allowed this matter to be dealt with outside of politics, for my hon. friends opposite to try to make political capital out of a few petty grievances.

Mr. G. R. GEARY (South Toronto): I fail to understand why the hon. member for Quebec South (Mr. Power) has taken the stand which he has in this debate. I listened very carefully to the hon. member for Burrard (Mr. Clark), and it was not my impression derived from anything he said that a partisan spirit actuated his remarks in any respect. He had a case which, to anyone who heard it, conveyed the impression that perhaps an injustice had been done. He used it as an example to call to the attention of this House and of the government the fact that it might be well for the government and the minister responsible to look into the workings of the pension board. I have no complaints of a specific nature to make; but one cannot be a representative of the people without hearing of cases in which, rightly or wrongly, the soldier or his dependent thinks the pension board has not done justice. These cases are so numerous that one is sometimes compelled to think there may be a general principle underlying them, and that the pension board, in the very patriotic desire to avoid any imposition upon the government, has perhaps stood so straight that it has leaned backwards.

I do not think the hon. member for Burrard was making any imputation of wrongdoing on the part of the pension board. He was saying that the impression gathered generally from many instances in which soldiers had communicated with him—and I can assent to that from my experience—was that the pension board's mind was more directed to saving the money of the government than to taking care sympathetically of the soldiers who came before it.

The hon. member for Burrard instanced a case which comes down to a very narrow point. There were two claimants for a pension, a widow and a mother who was dependent and with whom the soldier lived. There was a question of fact to be decided. The board decided in favour of the widow and against the mother. The widow has since died. I think it would be the part of generosity and sympathy for the soldier when there is no longer any dispute, not to cut off at the death of the widow, the pension as it had been awarded, but to continue it to the mother, there being then only one applicant involved. That would have been a sympathetic way rightly or wrongly, of dealing with the matter. I am not prepared to say if that might have been done.

The hon. member for Burrard is pointing out to the minister that the feeling exists—and I think he pointed out as kindly as he could—that the minister should keep more closely in touch with the operations of the board and the disposition of the many cases which come before it. In that I think the hon. member for Burrard was quite right. This is not a judicial board in the sense that it is dealing with litigants who are at arm's length. It is a body which is dealing with the claims of men who are prima facie entitled to recognition of their claims.

We have found men who were bad soldiers in the army; we have had poor men when they went into the army and poor men after they left. I am not saying that they are all perfect; but the great bulk of the men who served overseas and who make claims for pensions, are to be relied upon. They are men who should be treated with a great deal of consideration and sympathy and with the feeling that they are not out in the first place to get from the government anything to which they are not entitled. Rather they believe thoroughly in the claim they are making and they should be entitled to careful and sympathetic consideration. Therefore I hope the minister and the hon. member for Quebec South will not take from the remarks of the hon. member for Burrard the impression which the hon. member for Quebec South seems to

think is the correct one. The hon. member for Burrard has spoken for himself. As one who is interested in the matter I may speak for many on this side of the House who are in the same position as myself. We do not speak from any partisan spirit; the time has gone by for that. The Pension Act is the result of careful investigation. The Minister of National Defence is responsible for a good deal of it and entitled to a great deal of credit for what has been done. At the time he was not actively engaged in politics; he was an independent chairman of the commission; he put his heart into the work, and we think a good job was done. The work is not yet completed. The object, as I take it, of the hon. member for Burrard, as it is my object in making these remarks, is to point out to the minister that this judicial body, so called, which is not judicial in the sense that it is dealing with litigants who are at arm's length, is one that might be supervised by the minister, and that interest taken by the minister in the specific cases or in the general conduct of the board would be amply repaid by what he could learn from so doing.

In regard to the bill itself there is disappointment amongst the soldiers of this country over the action of the government in quite another direction. The Pension Act is a mass of almost unintelligible amendments. I mean that those who read the act, those who are concerned in it and are to benefit under it, are men who have not the capacity for disentangling from a mass of documents the points which may or may not affect them. It is so difficult, Mr. Speaker, to follow that act that I myself have given it up in despair many times. Through the kindness of the government last year I was given a complete copy of all amendments, but that did not make it much better. The time for consolidation, as I said last year, has more than arrived, and I had hoped that the act would have been consolidated by now. Added to that, the soldier organizations to-day are on a far better footing than they have ever been before. Previously there were conflicting groups and associations with conflicting interests, but these bodies have been welded more or less now into a smooth-working and harmonious association called the Legion, which represents properly the sentiments of the returned soldiers in this country. That Legion has a service bureau. It has men qualified to look into the questions which affect the returned soldiers, and that bureau, after looking very carefully into these different questions, made certain recommendations which in turn were submitted to and passed by the various provincial commands and at last reached the general convention of the legion which was held, I believe, last summer.

Mr. KING (Kootenay): In January of this year.

Mr. GEARY: In January, then; and these recommendations were referred to a committee of the Legion, with a representative of the department present, I believe, and probably taking part in the discussion—no doubt sympathetically, because I do not ascribe to any official of the department, least of all to the minister, any lack of sympathy towards the returned soldiers. Before this committee the various recommendations were sifted out, and their work finally resulted in some thirty-eight or thirty-nine recommendations being codified into suggestions for the department to act upon. Those suggestions have been in the hands of the department for I should say one month now, but the Pension Act has not been consolidated, and none of those amendments has been embodied in amendments to the act now under discussion. I regret very much indeed, and regret in common with many of the commands, many members of the Legion, many posts of the Legion and many individual soldiers, that we are left without any action being taken this session in regard to these carefully thought out recommendations. That is a matter of great disappointment. I do not know that it would do any good to propose any of these recommendations by way of amendment. It would probably not pass the House, but it does seem to me that many of these amendments, vital in their intention and necessary to the proper and smooth working of the act, could be arranged and carried into the bill we have before us. I object strenuously to the interests of the soldiers in this matter of pensions being sacrificed to any desire on our part to close the business of the House at an early date. This matter should receive the attention of the House this session, and as far as the department can go in deciding what amendments are proper and should be made within the next day or two or within the next week, these amendments should be presented to us and embodied in this bill. I protest against the delay in looking after the suggestions of the returned soldiers, officially made and carefully thought out, and undoubtedly, in the main, suggestions which would be of great service to the department and of great help and assistance to the soldiers who are entitled to a pension.

Mr. JOHN EVANS (Rosetown): I would like to say a word, Mr. Speaker, in support of the contention of the hon. member for Vancouver South (Mr. Ladner). He related some instances of hardship amongst the returned soldiers who are seeking a pension, and I have several in mind of the same kind. I have often thought that there was an unsympathetic attitude on the part of the department towards these men. Whether the law or the regulations are at fault, or whether the thing is general, I do not know, but I do know myself of quite a number of cases of soldiers who should be on the pension list but who cannot get on. I think a more sympathetic attitude is due these men who have once offered their lives to save this country. I have in mind one young man who took his discharge as physically fit. He had some slight ailment at the time, simply a nodding of the head, and when he was advised to get on the pension list if possible, he said, "Oh no, I can make my way. I will get well as I go along." But instead of getting better he got steadily worse, and for the last year he has been in hospital, at the mercy of friends. He cannot get on the pension list. I have had his case before the board, and it is now before the soldiers' representative in Saskatchewan, but there is very little hope that under the present laws and regulations he will be able to get on the pension list.

I know of another man who, with one leg missing, is still trying to make a living. He failed for over four years to get any help from the pension board. He has an artificial limb, but it does not fit very well and cannot be made to fit, and he cannot use it.

I do hope that the minister will take into consideration all these cases that are brought before him. I really think that a more sympathetic attitude is due to these men; in fact I have always contended that once a man has taken his life in his hands and faced death for his country, if he is incapacitated in any way his country owes him a living. I shall be glad to give the minister the names and numbers of these men if he desires them.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. R. K. SMITH (Cumberland): Mr. Speaker, it is not my intention to unduly delay the House in the brief remarks I propose to make touching this very important question of soldiers' pension legislation. I should like to associate myself with those who have already spoken in the debate in their deep regret that the government has not seen fit to bring down this session amendments to returned soldiers' legislation. I understand that representations were made to the Minister of Soldiers' Civil Re-establishment in March last by the Canadian Legion officials and that a promise by implication, if not a definite promise, was certainly given at the time that the recommendations for amending the Pension Act then made to the government by the returned soldiers' organizations would be dealt with this session.

We often hear the remark made in this House: We want legislation with teeth in it—something that will be effective to cope with a situation requiring drastic treatment. The other evening when amendments to the Customs Act were before the House the government withdrew a clause that had teeth in it. Now with respect to pension legislation we have on the statute books an act with so many teeth in it that it is altogether too vicious in its operation. In certain of the provinces liquor legislation has been enacted under which the accused must prove his innocence, and he has no right of appeal from a conviction. Under the administration of the Pension Act practically the same result follows. A man goes before the pension board or the federal appeal board and must establish beyond all question that he is entitled to a pension. He is not given the benefit of any doubt—that is not characteristic of British jurisprudence in ordinary cases, and we certainly should be more lenient in dealing with returned soldiers who sacrificed so much for this country than to any other class of citizens.

The Pension Act has not been amended since 1924.

Mr. KING (Kootenay): 1925.

Mr. SMITH (Cumberland): Yes, I beg your pardon, 1925. The administration of the act has aroused general dissatisfaction on the part of the returned soldiers. When you have complaints from all over the country, those complaints must be based on something fundamental, and it has been conclusively established that the returned soldier organizations have good ground for urging that the act is not interpreted in the spirit in which it was framed. As an instance of this, Mr. Speaker, let me show how the act has been applied in Nova Scotia. There are eighteen returned soldier tubercular cases to-day in the sanatarium at Kentville. They are returned soldiers who have been unable to secure a pension, and they are being kept there by their comrades at an expense of $8,000 a year. There have been as many as twenty-two tuber-

cular ex-service men in that sanatarium at one time and if it were not for the generosity of those who fought with them side by side in the trenches they would be allowed to die in the gutters, because there is no organization in the province to look after such cases. To neglect these men in this way is to my mind utterly unfair and ungrateful on the part of the country for which they sacrificed so much. The Pension Act is strictly interpreted and rigidly applied, although in order to be fair to the ex-service men it should be administered with a certain degree of elasticity.

As showing the injustice that ensues from a too narrow interpretation of the act, I beg to draw to the attention of the House an outstanding case in Nova Scotia. I refer to Sergeant Angus MacGillivray of Antigonish. He enlisted in 1914, went all through the war, and was discharged in 1919. Before discharge he suffered from a hemorrhage. Besides being a splendid soldier this man was an outstanding athlete and represented Canada at the Marathon games in the city of Paris. He applied for a pension and was turned down by the Board of Pension Commissioners and Federal Appeal Board. He is now in the sanatarium at Kentville and is being maintained there by his comrades. After the sergeant's admission to the sanatarium the superintendent, Dr. Miller, wrote a long letter to the Board of Pension Commissioners stating that the patient's condition disclosed evidence of his having had tuberculosis for a long period, and that he must certainly have been affected before he was discharged from the army. In fairness to the Board of Pension Commissioners I should say that the man's case had been closed before this letter was sent to them. Under the act as it stands the returned man has no right to have his case reopened and in the most deserving instances no relief is given. This is something that certainly requires the most drastic action. It calls for an immediate consideration by the government. It is unthinkable that deserving cases such as I have described should be allowed to fall on the shoulders of those comrades who fought with these men in the Great war.

With respect to the Federal Appeal Board, I understand that the present legislation empowers that body to say whether a man is entitled to a pension or not, but does not give them the right to assess the pension. If a man applies to the Board of Pension Commissioners and is refused, he may appeal to the Federal Appeal Board. The case goes before the board and they decide whether or not the pension should be paid, but the actual assessing of the pension is a matter that is referred back again to the Board of Pension Commissioners, who can fix the allowance as low as they like. There is no legislation that compels them to extend more generous treatment to the appellant. The Federal Appeal Board, I understand, includes three medical men who not only act as judges but give testimony in the capacity of expert medical witnesses. The Federal Appeal Board, as I say, can do no more than establish eligibility; their scope is limited to that extent I am told however, that they can go further than that in the case of imperial veterans residing in the Dominion. In those cases besides being able to establish eligibility they can also assess the amount to be allowed. If the British government, through suggestions which no doubt they must have made to the Canadian government in this regard, can be as generous as this to their ex-service men living in Canada, surely we can be equally generous to those of our own living in our own land.

In the case of Angus MacGillivray to which I have referred, apart from the fact that the man was supported by the ex-service men of Nova Scotia, he had to undergo what I believe in medical terminology is known as a pleuroplastic operation. It was a serious operation which cost the returned soldiers organization of Nova Scotia $500. It seems to me that the act as it stands does a grave injustice to the returned man. It would be much preferable that a large number of undeserving cases should receive consideration rather than have a few or even one really deserving case turned down. And that is what we are witnessing all over Canada to-day. A good many deserving cases under de Pension Act as it stands are being rejected without any justification.

Speaking of the necessity for immediate amendments to the Pension Act, I may observe that in Nova Scotia there are sixty cases alone of men who are unable, because of the seven-year clause in the act, to apply for pensions.

Mr. KING (Kootenay): That is to be amended.

Mr. SMITH (Cumberland): This year?

Mr. KING (Kootenay): Yes, I have so indicated.

Mr. SMITH (Cumberland): There is to be an amendment this session?

Mr. KING (Kootenay): Yes.

Mr. SMITH (Cumberland): I am glad to hear it. It disposes of that point. There are however a good many other cases similar to this where injustices to the returned soldiers demand immediate amendments to the Pension Act. These amendments should not be delayed. They do not involve anything intricate and the necessity for them is well known to the government. Surely they can be introduced this year. The minister ought to make some definite statement suggesting some concrete changes, so that we might know exactly the position of the government. Such a statement from him would be highly appreciated by the ex-service men's associations in Canada. Legislation along these lines is urgently needed and we are asking the government to reconsider their decision not to bring down any amendments other than the one just referred to by the minister.

With regard to appeals to the Federal Appeal Board, I would point out to the minister that in the first instance the appeal is heard, not so much on the merits of his case as on what appears in his file. If there is anything detrimental in the file it looms up larger than anything else. This trial on files has a tendency to work a grave injustice to the man appealing and there should be some regulation to dispense with that procedure, if not altogether, at least to such an extent as would minimize the injustice which the returned men now suffer on that account.

There is another point worth touching upon and that is with regard to cases of misconduct. No appeal is allowed in such cases. I am also informed that of all the cases that have been appealed from the Board of Pension Commissioners to the Federal Appeal Board only 28 per cent have been allowed. I should like to have the minister make some more definite statement than we have so far had with regard to what the government intends doing with reference to the Pension Act and to returned soldiers legislation generally. This subject is certainly of far-reaching importance. The present conditions are a source of hardship and uneasiness throughout the Dominion to returned soldiers and their dependents and to returned soldiers organizations, and the matter is one that calls for immediate attention on the part of this parliament. Comprehensive amendments should be brought in during the present session, and I would urge the minister once more to make a clear cut statement on the subject.

Mr. F. G. SANDERSON (South Perth): I listened to the speech of the hon. member for Quebec South (Mr. Power) before the House rose at six o'clock, as well as to the remarks of the hon. member for South Toronto (Mr. Geary) and I agree with both hon. gentlemen, one on this side and one on the other. I am firmly convinced that a revision of the Pension Act with proper amendments is long overdue. It is true that certain amendments were made in 1925 but there is room for amendments this year. I very much regret that the minister has not seen fit to bring in some amendment to the act.

This question has many ramifications, and could be debated in this House at great length. Every hon. member of this House has had a great many claims put in his hands from returned soldiers and their dependents, and if I may say so I think perhaps the great difficulties the pension board have had to deal with have resulted from several causes. When the war was over and the troops were sent home and discharged from the different military districts, many of the returning soldiers were discharged without a medical examination of any kind. I do not altogether think that the military authorities were to blame for discharging these soldiers with no medical examination, because in many cases the men themselves were to blame; they wanted to get out of the army and resume civil life, but they should not have been permitted to take their discharge without a medical examination. At any rate, many of them were discharged without such an examination; they have gone back into civil life and many of them, together with some who were discharged after a thorough examination, have been seized with certain diseases, or certain defects have become apparent, which can be traced directly back to the effects of the war, and it is a very difficult matter to establish this after a few years have elapsed.

I do not want to take up very much of the time of the House, but I would like to mention one or two cases which have come under my observation in my own riding. The first case is that of a man who was a medical officer overseas; he returned from the war and was discharged as medically fit. He went back to his profession and tried to carry on, but after a lapse of a few months pernicious anaemia settled in his system and he became seriously ill. I am not a medical man and I do not know very much about that disease, but I do know that he applied to the board for a pension and was absolutely turned down, because the pension board said his physical condition could not be traced back to his war service. He protested that that was not so, and some of his friends took up his cause and went back with it to the pension board

Perhaps I am a little ahead of my story; in the interval this officer had to go to the expense and trouble of taking special treatment in the Toronto General Hospital. His earning power was gone and he was not in condition to practise his profession; he was left with very little money and was virtually fighting for his life at the time representations were made to the pension board that at least he should be put under observation and should receive a pension if entitled to one. He went not only to the Toronto General Hospital but also to the Johns Hopkins Hospital in Baltimore, where a specialist looked him over. The specialist, I should say, was one of the most eminent doctors on this disease in the United States, and he certified after learning the history of the case that the condition could be traced back to the first inoculation the man had received when he entered the army. Several medical men in Toronto who examined him agreed in that view. It took us months and months to convince the pension board at Ottawa that this officer was entitled to a pension, and if it had not been for his friends who rallied to his support and gave freely of their time in placing his case before the authorities, that man would not be receiving a pension at all, simply because the Board of Pension Commissioners said his condition was not due to his war service. That was their first decision, but when further proof was offered that decision was reversed, and they said his condition could be traced back to the first inoculation he received when he entered the army.

That is one case, and I have another which came under my observation, that of a boy from my home town who enlisted and went overseas with my battalion. I know the history of that boy and the history of his parents and his family for years back. When he returned from overseas he was discharged from military district No. 2, which was the first mistake; he should have been discharged from military district No. 1, from which he had enlisted. For some reason or other, in the shuffle coming across from overseas, he landed in Toronto and was discharged without a medical examination. He returned to his home town and started in civil life, but in six months was stricken down with tuberculosis. After a long fight we had him sent to London for observation, where he died two weeks later. I contend, Mr. Speaker, that if he had received the care he should have when he was discharged from military district No. 2, he would have been taken for treatment, with the result that he would have been alive to-day. I will say, however, that after he died we brought the matter before the Board of Pension Commissioners, who granted a pension to his father and mother, whose sole support he had been. My contention is that that boy should have been examined prior to his discharge; if that had been done he would have been under observation, and probably his life would have been saved.

I have still another case which I would like to mention, and I have in addition some letters which I received only a day or two ago. This is the case of a young married man who owned a farm in the riding which I have the honour to represent. He went overseas and was both gassed and wounded, receiving treatment first in France and later in England. Finally he came back and received his discharge. He went back to the farm and worked for a year or so and was then taken down with heart trouble. His case was so serious that the local doctor recommended that he sell his farm and give up farming, as he could no longer carry on. He has done that, and I am glad to say that now he is under observation in London.

I only mention these cases to illustrate the fact that thousands of Canadian boys were discharged from the army as medically fit, and perhaps were medically fit at that time, but through their war service and through the hardships they endured overseas their systems were so undermined that certain diseases have afflicted them which can be traced back directly to their war service. I claim that these men should get fair, generous treatment from the pension board, and that there should be no hesitancy when their cases are brought up; they should get prompt and careful attention. I have not very much criticism to offer with regard to the Board of Pension Commissioners other than to say that the trouble with the staffs of the pension board and of the Department of Soldiers' Civil Re-establishment is that there is still too much military red tape and discipline, and not enough careful consideration. I know that many cases have been brought up where no claim exists. I do say, however, that every claim should receive prompt, favourable and careful consideration, and that there should be no red tape at all in this connection. Their claims should receive more consideration than any appeal or request that is made to any other department of this government.

There is just one other matter I want to speak of. I gathered from the remarks of my hon. friend from Quebec South (Mr. Power)

that an hon. member opposite had stated that sometimes politics have crept in in connection with some of these claims. If I am wrong in that understanding I am open to correction.

Mr. LADNER: If I may rise to a point of order I would say this: at that time only the hon. member for Burrard (Mr. Clark) and myself had spoken, and neither of us, directly or indirectly, referred to or indicated that there was such a thing. The hon. member is entirely mistaken. We tried to keep politics out of the question.

Mr. SANDERSON: I am not referring to my hon. friend at all. I did not hear anything that he said, and I did not hear the hon. member for Quebec South even refer to him. But I did hear the hon. member for Quebec South refer to the hon. member for Burrard. I want to say that long before I entered political life I did what little I could for the returned men, irrespective of their politics, and am still doing it. I never saw anything in the shape of politics obtrude itself into the administration of the Pension Act at Ottawa here, either under the Union government, the Conservative government or the Liberal government. But now the question has been raised I want the minister please to pay attention to what I am going to say and to take it into his serious consideration. I do not lay any charge myself because I have not the proof, and I would be loath to prefer any charge against any official unless I had absolute proof. But if one-half the stories that have been told to me, and told to other hon. members from western Ontario on this side, are true, politics did creep into the Soldiers' Civil Re-establishment in the city of London, and military district No. 1, during the elections last September. If half the stories told about the manipulations of some of the officers and some of the nurses on the staff there are true, then the minister should make an investigation and find out whether there is any foundation for these rumours. I do not know that they have been brought directly to his attention, but I am bringing them to his notice now and suggesting that in military district No. 1 there is room for investigation with respect to charges of partisanship on the part of officers and nurses in that area.

Let me say again, Mr. Speaker, that I would have been much more pleased if the minister had brought in his amendments to the Pension Act this session, and if necessary prolonged the session by two, three or four days, or even a week, in order to deal with them, because I think there are thousands of cases in Canada that deserve and demand prompt attention from the minister in charge of the department. The trouble is that as the years go on we are forgetting a lot of things about the war. We are forgetting the claims of the dependents of the men who went overseas and were killed, or the claims of the men who came back maimed for life. These are claims which should receive careful attention and be given just consideration at all times.

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, I desire to offer just a word or two upon the second reading of this very important bill. May I say in regard to the remarks of my hon. friend from South Perth (Mr. Sanderson) that he somewhat spoiled a very estimable speech with an insinuation against a body of very worthy men and women in the military district of London when he stated that while he knew nothing about the matter he had heard rumours for which he could not vouch, and at the same time insinuated that these officers and nurses were guilty of improper actions and improper conduct in the month of September last. Up till that point in his address—

Mr. SANDERSON: As a point of order I should like to state to my hon. friend the leader of the opposition that I did not make charges, but that rumours were so serious and so grave as to merit investigation. Doubtless the hon. member has heard these rumours also.

Mr. GUTHRIE: That is not a point of order, Mr. Speaker, and I will not be interrupted in this irregular way. I said, and I repeat it, that my hon. friend did not make charges. What he said was that he had no knowledge of these rumours. In that case he should not have made his insinuation. That is my point. Letting it go at that, I say that in my judgment, he spoiled what otherwise would have been a very estimable speech upon this important question.

Now I think the minister to-night and during the course of this afternoon has had it very forcibly brought to his attention that the time is ripe for action in regard to the present Pension Act. Almost annually since the war this House has deemed it necessary to amend the pension law. We in this country, happily for Canada, had little experience in pension legislation prior to the war. But since the Great war we have had an abundant experience, and in the judgment of this House it has been necessary almost every year to appoint committees to consider the whole situation and amend the law where amendments were pro-

per. The last occasion upon which a committee considered the pension legislation of this country and brought in amendments was 1925, I believe. Nothing was done in that respect during the last session. Now we have come to the closing days of the session of 1927, and at this very late period the government brings down a proposal to amend the pension law only by way of appointing two additional members to the appeal board. I think the only other clause in the bill provides for a quorum of that board. Since this session opened it has been drawn to the attention of the government and of the minister week after week that the present pension law is unsatisfactory in some respects and inadequate in others. Notwithstanding all the amendments of previous sessions and all the investigations of committees of this House which have inquired into the question, there are still loopholes in our legislation; it does not cover all the cases which require attention. These facts, I say, have been brought to the notice of the minister and of the government week after week during the present session. The minister himself has informed the House that he has had requests from soldiers' organizations, I think he said to the number of over thirty, asking for remedial legislation in regard to pension matters. I think he said that his time was too fully occupied to take the matter up, or he had not time to consider these various applications.

Mr. KING (Kootenay): No, that was not the statement I made.

Mr. GUTHRIE: Some excuse of that kind—

Mr. KING (Kootenay): No excuse.

Mr. GUTHRIE: The minister can put me right when he speaks on this question later. At all events the fact remains that here, in the dying days of the session, the only thing which the government brings forward is a proposal to increase the number of officials; they offer no remedy whatever for the grievances of those soldiers who have been denied pensions under the law as it exists to-day. I do not propose to give instances, although I could, many of them in my own riding; and I do not lay any blame upon the pension board or upon the appeal board. What I blame is the inadequacy of our present law. I do not intend to cite cases, because sufficient have been cited to-night to show the necessity of doing something in regard to the Pension Act, and doing it this session. I do not think the government can successfully plead any excuse in this matter, because it has been brought to their attention too often during the present session. But here we are in the last days of the session with no relief offered to the sufferers and no remedy proposed. One trouble with the present bill is that it is too strict in its language and too circumscribed in its application. It is almost in the nature of penal legislation. The board says that the language of the act must be construed strictly—and they may as a matter of law be right in that decision—and that they are unable to deal with many cases with which they would like to deal.

The Pension Act is in the nature of remedial legislation if ever remedial legislation was passed in this House. It should be elastic. Discretion should be given to the board. All legitimate applications should be permitted. The board in its inquiries should be given a liberty which it has not now. These matters have been drawn to the attention of the goverment time and time again by soldiers' organizations in Canada. The Canadian legion has passed resolutions on the subject; every member in this House, I assume, has, like myself, received copies of these recommendations, and yet the government has not moved a hand this session to relieve the situation.

We have an intimation from the minister at this late date—the first I heard of it was to-night—that the time for considering applications or appeals is to be extended. We are grateful for that information. Why a clause to that effect was not included in the present pension bill, I do not know. It may be added yet; but notwithstanding the fact that we are just about at the end of the present session of parliament, many more clauses might be added. We can hold this House in session; if the minister is prepared with his amendments, let us consider them now. To my mind it is a disgrace to allow parliament to prorogue without passing something in the nature of a remedial pension bill that will take care of a class of cases just such as those which have been pointed out so well in this House this afternoon and evening, and I am sure that the manner in which they have been pointed out must have impressed the minister with the seriousness of the situation.

Hon. J. L. RALSTON (Minister of National Defence): Mr. Speaker, naturally I have listened with the greatest interest to the discussion which has taken place in this chamber this afternoon and evening. Perhaps the House will permit me to say that I have had a little experience in connection with pension matters and ex-service men's problems. At the outset let me say that at least three-quarters and perhaps ninety-five per cent of the cases which I have heard cited here this

afternoon and to-night could be dealt with and, if they are legitimate, should be dealt with, as matters not of legislation but of administration.

I have gone through the amendments which have been suggested at the present session by representatives of that splendid organization, the Canadian Legion of the British Empire Service League, and in the forty amendments which have been suggested I do not think there is a single one which will cover one of the cases that have been cited here to-day. Primarily it is not more legislation that we need in connection with pension matters. There are only two things required: first, a tribunal which, as has been suggested, will view in a sympathetic way the legislation which it administers and the cases which come before it, and second, reasonable evidence to connect the disability, whatever it may be, with the service period.

The leader of the opposition (Mr. Guthrie) has suggested that the Pension Act is much too circumscribed. I do not know very much about pension acts of other nations, but I may remind the House that the only thing which is required in order to entitle a man to a pension is that the disability from which he is suffering has been not caused by service, but incurred during service. In other words if it had its inception during service, if a man were on leave in London, England, or Canada and contracted some disease, automatically under our Pension Act he is entitled to pension.

Mr. ROSS (Kingston): For any disease?

Mr. RALSTON: The hon. member for Kingston possibly has regard to immoral cases. My hon. friend knows that the tribunal has discretion to allow pensions in such cases. The real things required are a sympathetic tribunal and the securing of reasonable evidence. I happen to belong to the legal profession. There are in this House some members belonging to the medical profession. When a member of the medical profession says that by no possibility could the disability in a certain case have been incurred during service, it is difficult under the act for a board of pension commissioners, sympathetic as they may be, or for this House or for any other tribunal, to make a different finding, unless you have some sort of act which states that regardless of when the diesase or disability was incurred, the man is entitled to pension just the same.

Mr. LADNER: May I ask a question just on that point? because the minister is an authority on this subject and we are all keenly interested in it. Has he not found that the pension board always take the stand that the question is not one of sympathy; that they are interpreting strictly the law as written in the statute? They say: We are not a sympathetic body; we want to find out what the law is, and we are applying the law. Let parliament attend to the sympathetic side of the question.

Mr. RALSTON: As I have said, that is the act which they administer, and I am not standing here in any way defending the Board of Pension Commissioners or the Federal Appeal Board. I am stating what are the proper requisites to the administration of the Pension Act, and that the important thing is not so much legislation as administration. I have also pointed out that the amendments which have been suggested are not amendments which cover the cases that have been cited here to-day.

We must have machinery to carry out the Pension Act. Somebody must decide these questions. It is out of the question for this high court of parliament, even possessing the ample jurisdiction which it does, to attempt to consider and to pass upon all these cases. That would not be fair to the country or to the ex-service men. Neither is it possible for a committee of this House to do this. Some machinery must be set up whereby there can be a reasonable and proper adjudication of these claims. The Board of Pension Commissioners was established in 1917, before this government took office, and when a commission, which has been referred to to-day, came to consider the matter, it was found that three men sitting in the city of Ottawa could determine the rights of people who had been injured during the war, their widows or other dependents, and could commit the country to millions of dollars of expenditure, and that their decision was final. It was felt that that was neither right nor fair to the country or to the ex-service men.

The suggestion has been made that this government has done nothing. I am not going to make a political speech, but I feel that statement should not be broadcast without the history of the legislation being understood. What was done? An act was passed in 1923 providing for a federal appeal board. I want to tell my hon. friends who have spoken that there is no appeal in connection with the widow in the case cited by the hon. member for Vancouver-Burrard (Mr. Clark) this afternoon. Under the legislation which passed this House in 1923—and I have the bill under my hand—there was an appeal in those cases

There was an appeal in every case as recommended by the commission. It was not in this House that that appeal was refused, but when the bill came back to this House it was found that the only case in which an appeal was allowed was when it had been decided that the disability had not been incurred during service.

Mr. CLARK I would like my hon. friend to make it quite clear that there is no appeal in the case I cited this afternoon. It is purely discretionary.

Mr. RALSTON: Certainly, that is what I am saying, and I am pointing out that that was not the fault of this House of Commons As the legislation passed this House, an appeal was given in every case, as to the amount of pension, as to whether a widowed father or mother was in dependent circumstances, meaning such circumstances that they had not sufficient to provide themselves with a living, and also in the many cases which arise in connection with collateral questions. But all these appeals were cut out in the other House, and the only appeal allowed was when the decision was given on the ground that the disease or disability was not incurred during service. That was one thing that was done.

What else was done? It was found that complaint was made also that a man had a pretty stiff road to travel in connection with proving his claim for pension. He did not understand very much about pension law. All he knew was that he was sick, and he felt the war was the cause, and so the suggestion was made, and was put in the statutes of this country, that in every district there should be a man, nominated by the ex-service men's organizations and paid by the government of this country, whose job it would be to present the case of any man who went to him in connection with appeals under this act. I think that was a step in the right direction. It improved the machinery for helping the ex-service man to get his claim properly adjudicated upon.

But still there is always the question of evidence. I think I can say that there come to my desk as many cases with regard to pensions as to the desk of any member of this House except the Minister of Soldiers' Civil Re-establishment (Mr. King, Kootenay). The first thing I do is not to blame the pension board or the appeal board, but to get the record of the case and look at it myself to try and find where the hole is, to see what evidence is wanting and whether there is any possibility of getting it. Then I immediately write the man or his doctor to see if evidence cannot be given to show that during some particular period after his discharge and before his disability seems to have been recognized, the man was ailing, in order to show that the disability he now has can be related more or less continuously back to the time of his service. That is always the difficulty, and it is growing as the years go on. We are now ten years from the war, and there is no doubt that every year—and I do not blame the members of the medical profession—it is harder every year for them to certify that the particular disease or disability which now exists was incurred away back there. My theory is—and this is where the matter of administration comes in mostly—that if, taking all the evidence, it is shown to have been reasonably possible that the disability which is now being suffered could have been incurred during service, that constitutes a reasonable doubt in favour of the man and the pension should be awarded. Let me put it in other words, and I know my words are not binding on any judicial tribunal: Suppose I were on the pension board and with respect to a given case, having read the files and heard the evidence both ways, had said: "No pension." Then if when I went home at night and put on my slippers, as we all do these days having so much time on our hands, and sat before the fire and thought over that case and was seriously troubled as to whether after all that fellow was not entitled to a pension; if I had made a mistake, if I had a reasonable doubt that I had not done the right thing, that man it seems to me is entitled to a pension. I say you cannot put that in a statute—never; it is a matter for the tribunal which is administering the act. So I say that when we speak of the pressing need for legislation I am not so sure that any amendments will be found to be a cure for the cases which have been cited. But the commission said: "The board may err; they are only human, and the man ought to have a second chance," and so a federal appeal board was set up. The idea of that appeal board was this: We felt that the men sitting at Ottawa were too far away from the individuals concerned, that they did not get the personal touch. Many men, and perhaps some doctors, have not the ability to give a word picture of a case as it would be presented to the pension board if they saw the man face to face. There are some things in connection with pension evidence which depend almost wholly on the word of the man; he may be unable to give any corrobora-

tion; he may give a history of having been blown up by a shell when nobody was around at all. The board has then to put the test that is generally put by any jury: Does he look like a man who is telling the truth? Look him over and see how he is giving his evidence. What do his neighbours say about his reputation for telling the truth? Do not lay down a rule that there must be corroboration in every case, but decide it on the ordinary principles on which a jury decide a case. If you approach it in that spirit a great many of the difficulties may be solved. And so we said: We will provide appeal boards, and the form of appeal boards which passed this House was not the appeal board in the form in which it now appears in the statute. The appeal board this House approved was a series of district review boards; that is, the Dominion was divided into districts, and it was provided that these review boards would travel up and down and see the men face to face; the district review board would make its decision, and the case could then go to the federal board if the Board of Pension Commissioners or the applicant felt that the decision was wrong, the Federal Appeal Board could review it. A provision was inserted in the statute to the effect that the Federal Appeal Board could not reverse a favourable decision of the district review board unless they actually saw the man, unless he waived that privilege. But as I say, the legislation was not adopted in that form. Instead, a federal appeal board was set up, and that federal appeal board, which is the subject of the bill now before the House, has been travelling up and down this country and has given considerable relief in a large number of cases which were thought at least by the citizens at large to be meritorious, decisions being made which are favourable to the pensioner. That is an advance. That is an attempt to provide machinery which may take care of these things. If we sit here till doomsday we cannot decide these individual cases; we must entrust them to some machinery. My view of the subject, therefore, is that our efforts should be directed to making the machinery as complete and as smooth-working and as expeditious as possible.

Mr. SMITH (Cumberland): I would ask the minister if the present pension legislation will permit through administrative means without statutory amendment, of the reopening of a man's case in the event of the discovery of new evidence?

Mr. RALSTON: No. My hon. friend will find in the bill of 1923, to which I have referred, that the legislation which passed this House on the recommendation of the commission provided that when new evidence was discovered sufficiently convincing in the opinion of the district review board a fresh appeal might be made, but that also did not become law. Perhaps my hon. friend was not in the House when the announcement was made that the minister has under his hand now, in connection with amendments to the procedure, an amendment which permits the very thing to which my hon. friend refers, and I understand that the minister will propose that amendment as soon as we get into committee. As I have said, in my humble opinion, that our efforts should be primarily devoted to making as efficient as possible the machinery for hearing these cases. While we may bring individual cases before the House by way of illustration, we cannot get very much further with them here.

I want to remind hon. gentlemen opposite that in past years a good deal of pension legislation has been enacted and many amendments have been made to the act. The amendments that are now being proposed, and others that may be put forward in the future, will not, I anticipate, affect the principle on which pensions are being awarded—the principle that the disability must be incurred during service in order to entitle a man to a pension. I will deal in a moment with cases where disability is not incurred during service and the soldier is sick and needs assistance.

Mr. McGIBBON: Before the minister leaves that point, does he not know that right in the country to-day there are thousands of cases that without a shadow of doubt are attributable to war service, but the disease cannot be attached to that service sufficiently to secure a pension?

Mr. RALSTON: My hon. friend I hope, will not think I am coming back at him, but he belongs to the profession to which I refer, and I can only say that if there is not a shadow of doubt in those cases, and if the doctors will say so, that is all that is necessary to entitle the men to pensions.

Mr. McGIBBON: I beg to differ with the hon. minister. That is not the practice.

Mr. RALSTON: I do not mean my hon. friend or any individual doctor. The hypothetical case he put was that in which there

was not a shadow of doubt that the disability was incurred during service. Then the pension board's medical advisers or any doctor who has the honour of his profession at heart will so certify.

Mr. McGIBBON: I do not like to interrupt the minister but what I have in mind is this. There are to-day right in this country hundreds of cases of nervous breakdown, insanity, borderline cases, that every medical man who has had any experience at all is convinced are primarily due to war service; but you cannot get sufficient evidence to attach those cases to war service in order to entitle the men to pensions.

Mr. RALSTON: I am only saying that the evidence lies in the hands of the medical man. He has to decide, not the lawyers. If the medical man on his professional responsibility says that the disease, whatever it may be, is connected with war service, and traces it back there, I do not see why a pension is not granted. But my hon. friend gives me an opportunity that I was going to take later of dealing with the class of cases in which, let us say, there is a reasonable doubt, they cannot be proved beyond a shadow of doubt to be due to war service. I refer to the ex-soldier who has a breakdown. I am not saying what the policy of the government may be, but I anticipate that in this country there will be established soldier homes to take care of that sort of case. It is the only way you can deal with it. You cannot bring it under any pension legislation unless you can produce the certificate of the medical men or the evidence to which I referred.

Mr. McGIBBON: The medical men do not give the pensions; the pension board decide.

Mr. RALSTON: My hon. friend knows that three out of the four members of the pension board are medical men.

Mr. McGIBBON: But they are not always guided by medical certificates.

Mr. RALSTON: I would not make a remark of that kind—

Mr. McGIBBON: I make it.

Mr. RALSTON: —about medical men. I know the chief medical adviser of the board very well, and I think he would be guided by the certificates of medical men. I think my hon. friend will agree with me that if he were sitting on a case as judge he would insist on some reasonable connection of the disability with war service. He would not be satisfied simply by a letter stating, "I certify John Jones' disability to-day is due to war service," without the medical man showing that at the time of discharge he had been ailing or had what was a continuous condition. My friend says "attributable to service". May I make this clear? I think hon. gentlemen understand it. I would say, let us get this "attributable to service" out of our minds. There is no necessity under the Pension Act to-day to prove that the disease is attributable to service. Service may not have had anything to do with it, but if the trouble began during service that is enough under the Pension Act.

Mr. BENNETT: I think in practice they put it the other way. I know many such cases.

Mr. HANSON: I am sure of it. That is my experience.

Mr. RALSTON: I can only speak out of my own experience, and I assure my friend and other hon. members that I have had many, many cases in which I could not show in any possible way or make any suggestion that the disability was due to service; it was sufficient so long as I proved that the trouble began before discharge.

Mr. BENNETT: That was attributable to service.

Mr. RALSTON: No.

Sir EUGENE FISET: You must have received preferential treatment.

Mr. RALSTON: Now, in regard to legislation. It seems to me that 1923 was the beginning of pretty constructive pension legislation. In that year the appeal board was established and the soldier advisers appointed. It was suggested this afternoon that we had not had very much pension legislation. I want to remind the House that the case which was regarded by us as entitled to sympathetic treatment, namely, the widow who had received commutation of pension on remarriage, but had lost her second husband, was provided with a pension under the bill passed in 1924, and under the same measure payments to parents were readjusted on a more liberal basis. And this somewhat unusual provision was made. A man receiving 25 per cent for some disability might die, and his death might be due to something totally outside that disability. The provision I refer to is to the effect that payment is to be made to the widow pending investigation of that case to ascertain whether the death was the result of the service disability or not, because if so the widow would be entitled to a pension for life. In the same year a retro-

active pension was provided when a reversal of the decision of the board had been made. Last, but not least, the meritorious clause, so-called, was passed. It was regarded by ex-service men generally as being a very important step. That clause was supposed to make the act more elastic, to use the words of the hon. leader of the opposition, to make it possible to consider cases which would not otherwise be entertained under the act. I understand that a small number of cases have been considered. As hon. gentlemen know, the meritorious clause has to be administered by a joint board consisting of the pension commissioners and the appeal board. I think in connection with that some consideration might be given to a matter of procedure which I have in mind in order to make it more effective.

Mr. LADNER: Has the minister the figures of that relief?

Mr. RALSTON: I understand there have been thirteen cases.

Mr. KING (Kootenay): No, eleven.

Mr. RALSTON: My hon. friend from Vancouver thought that 1925 was a blank year in regard to pension legislation. He is wrong. During that year a good deal of pension legislation was enacted. For instance, there was an extension of the 80 per cent clause. It was provided that when a man has 80 per cent disability it does not make any difference what causes his death; whether he be killed by a street car or in any other accidental way, his dependents are entitled to a pension providing the death takes place ten years after discharge. Previously the period had been five years. Tuberculosis cases, which everyone has at heart, were dealt with. There are no cases which are more sympathetically viewed by the country than those of the tubercular men, and I think the Tubercular Veterans Association will agree that a long step forward was taken when it was provided that any man with tuberculosis, moderately advanced and clinically active, when discharged from the sanatarium, even though the tuberculosis might be arrested, should be entitled to 100 per cent pension to be continued for two years. That, I say, was a long step in advance. In the case of tubercular men who saw no service in a theatre of war the pension is 90 per cent. At the same session at which this provision was made another amendment was passed providing for the reopening of final payments. Provision was made for wear and tear allowance for clothing of amputation cases, namely an allowance of $54 for these men. Under that provision a good deal of money was paid out and was warmly welcomed by the returned soldiers. Pensions in connection with misconduct cases, particularly in relation to widows, received sympathetic consideration. Altogether, therefore, considerable progress was made in the session of 1925.

Hon. gentlemen will, I think, realize that some attempt has been made by the government and by this parliament to effect improvements in our pensions legislation. The proposals made at the present time, some of which are included in the memorandum submitted by the British Empire Service League, are largely of two classes: they extend the class of those to whom pensions are to be granted or they increase in some respect the amount of pensions to be paid. They do not change the principle upon which, generally speaking, pensions are given. I do not want to delay the House, but perhaps I may be permitted to refer very briefly to one or two matters as to which proposals have been made. For instance, a man may be receiving a pension on account of what is described as aggravation of disability due to service. Cases of aggravation apply generally only to such men as have not served in any theatre of war, except in one or two instances which I need not refer to. That is to say, any man who has served in a theatre of war is entitled to pension for the total degree of disability which he suffered at the time of discharge, notwithstanding the fact that some part of that disability may have existed before he enlisted. The theory is that if he was fit enough to be taken overseas for service he should be regarded as having been fit in every way, so that the pension should be granted for the full amount of disability from which he suffered on discharge. The provision contained in the proposals of the Canadian Legion of the British Empire Service League is this, that where a man dies who has been pensioned for aggravation alone—where he has not served in any theatre of war—if it can be established that the aggravation of his disability in any way contributed to his death his widow is to be entitled to full pension.

It is also proposed that there should be no suspension of a man's pension without notice to the Canadian Legion of the British Empire Service League. I do not think there is any need for legislation in that respect, because the department will be only too glad, I feel sure, to notify some service bureau in order that the necessary steps might be taken to present the man's case afresh before suspension of pension finally takes place.

Another matter is the consideration of the pension as part of the ex-soldier's estate. The

proposal was made that any portion of a pension unpaid was to form part of the pensioner's estate if he made a will. The suggestion of the Canadian Legion of the British Empire Service League is that, even where there is no will, such unpaid portion of pension should be regarded as part of the estate to be administered by the Board of Pension Commissioners. A further subject of interest relates to children who are suffering from physical infirmity and who receive an allowance. According to the act the only children who may receive any allowance by reason of physical infirmity are those whose infirmity was incurred before the age of twenty-one. The proposal is, as I understand it, that if the son of a soldier killed overseas becomes infirm and is incapacitated from earning a living, even though he may be over twenty-one, he shall be entitled to a pension on account of his father's death. Still another proposal is to make the pension more retroactive; it is thought that the payments should be extended further back.

A vexed question which has been discussed in the House on two or three occasions is the position of the widow of the soldier who dies after discharge from the service, and who was married "after the appearance" of disability, to quote the words of the act. A great deal of difficulty arises in connection with the consideration of these words "after the appearance of disability." On two or three occasions an amendment has been passed here, but it has never become law.

I might mention now what is perhaps a peculiar case. As hon. members may probably know, a woman who has been cohabiting with a man as his common law wife is entitled to a pension; but strangely enough, under the act, if the union was subsequently made legal there may be a danger, in the event of her husband's death, of the pension being disallowed. To remove that anomaly a proposal has been submitted.

All these cases I have cited, it will be realized, are but samples, so to speak; they do not touch the cases brought forward in this chamber to-day. Upon some of them the House has expressed its opinion before, while many of them are new. Now, the question to be considered by the government or by anyone responsible for the administration of affairs is, what are meritorious cases and what are not? For example, my hon. friend from Vancouver South (Mr. Ladner) to-day suggested that this country should assume the responsbility for the burial and medical attendance expenses of the wives and dependents of ex-soldiers. That is a pretty large responsibility. To me it is altogether new. The question in this instance is: would it be better to make such a provision as the hon. member suggests, and leave other cases unprovided for; or, on the other hand, endeavour to make a wider distribution of the benefits to be conferred? These are questions to be carefully considered. The minister has altogether about 200 suggestions looking to the improvement of our pensions legislation and the administration of the act, and I feel, speaking frankly as an ex-service man, that I may safely say that the government is trying its utmost to do justice by the returned soldiers. I do not think I need to express my sympathy with the returned soldiers or tell the House that I am endeavouring in every way I can to see to it that the honourable obligations of the country to the ex-service men are carried out. It is in the interests of the returned men and of the country as well that just and proper consideration should be given to all these proposals regarding the consolidation of the Pension Act, so that next year they may be submitted to a special committee of the House and thoroughly investigated with the result as suggested by the leader of the opposition (Mr. Guthrie), of a revised Pension act being enacted if need be. I think, however, it will be found that the Pension Act as we have it is drafted along the proper lines. It may be encumbered with amendments and possibly can be simplified, but it seems to me that we should study these proposals and in the light of mature consideration see just what new principles should be embodied in the act.

Mr. MILLAR: Is there any remedy or relief possible through the administration of the present act, or will there be any relief under the proposed amendments, to such a typical case as the one I am about to cite? I have on my desk several letters, but I may refer to this one in particular because, as I say, the case is typical. I want to read three or four lines from this letter. This is from a returned soldier who has a 25 per cent disability. He says:

> It's up to the government to help me out. . . if I can't get government help, I must grin and bear it.

He then refers to the cost of their relief to some one, the municipality or the government, in any case, and goes on to say:

> I alone cost the government $100 every winter in relief. That's why I'm fighting for a job. I don't want it—

That is, the relief.

> I want work.

Further down in the same letter he says:

I can in summer keep my head up, but in winter it drops. What a glorification in fighting for one's country.

Perhaps we should not blame him for being bitter.

I lost my money in the Home bank, still have $320 to come. . . Robbed of what I had, discharged a 25 per cent disability man. . . .

Mr. SPEAKER: I think the hon. gentleman might better wait until the bill is in committee before putting such a long question.

Mr. MILLAR: I was almost finished. This man being in receipt of a very small pension, is there any provision under the present act or the proposed legislation for the relief of such cases?

Mr. RALSTON: The only relief would be by way of administration in connection with the provision of employment; that is all I can see in the case. As my hon. friend knows, a superpreference has been given to wounded ex-service men and a preference to ex-service men not wounded, under the Civil Service Act. I might also say that in connection with the employment, and as his correspondent suggests in connection with relief, a man who has a pension and who is partly disabled is entitled to consideration. These are cases we all come in contact with; they are not unusual at all. They are the cases which, if the country had plenty of work, would occupy jobs running elevators and doing things of that kind. In that way these men could be absorbed, but that is not the case in Canada at present. We always have the difficulty of men who, having the amonut of their disability theoretically at least made up by the contribution of the country, still find themselves because of their handicap not in a good position to compete in the labour market.

I do not want to detain the House any longer; I only wish to repeat that I do feel this to be in the interest of ex-service men, whom I know to be very reasonable. I have met them from the Atlantic to the Pacific in the closest possible way, and I have found that when you meet them face to face and deal with their cases straightforwardly you can get the most frank expression from them, and can give them the same kind of consideration. They were and are as reasonable as anyone could expect, and the difficulty about this thing is the mystery sometimes thrown around it, as I have said, by reason of the fact that they are so far away from the tribunal which decides their cases. Naturally this is a matter in which I have an intense personal interest and it is hardly necessary for me to say as a member of this government that I know my colleagues are in hearty sympathy with the object we all have in view, and that every endeavour will be made to put this matter in the best possible shape for further action. That will apply to these proposals and others which have been made by different people; they will be given the most careful and thorough study, and the close attention which the importance of the subjects demands.

Mr. MURRAY MacLAREN (St. John-Albert): The Minister of National Defence (Mr. Ralston) has made a very clear statement, and I am disposed to agree with a great deal of what he has said. There are two factors in the matter of pensions, the provisions of the act on the one hand and its interpretation and administration on the other, and I believe much misapprehension has arisen through the failure fully to appreciate the importance of both these elements. The Pension Act requires amendment, which is only natural; there is no finality to an act of this character. Pension matters are of great difficulty, and contain many abstruse points; an act of this kind naturally lacks the precision of others, because of the fact that it has to do with human disability. Therefore we must expect amendments from time to time, but however near we approach perfection the act will materially fail unless its interpretation and administration are as efficient as we can hope for.

It is a matter of common experience that a man will make an application time and time again, but his pension will be refused; finally, after a very considerable time, and after much perseverance, he is allowed a pension. Why is that? In the meantime there has been no change in the act or in the requirements, and there may be little or no new evidence presented. I think that is a point which requires the attention of the minister; he should look carefully into the administration of the act, because it will not succeed until it receives the support and proper interpretation of the pension commissioners. I have many times seen the results of the excellent work done by the Canadian Legion; they have assisted men in obtaining their pensions after long periods and after much laborious effort, but I would ask the minister why that should be necessary. I think the attitude of the pension board should be to assist men to put a claim through, rather than to make them fight for it, to decline their applications on a number of occasions and finally grant them on practically the same evidence. Again I

suggest to the minister that he might well study the administration of this act and see if great improvement cannot be effected there. I cannot understand why men should go on being refused for many months, and finally receive their pensions. I recognize the difficulties; I realize that there may be some additional evidence presented, but in many cases I fail to see where any further evidence has been brought forward; apparently there has simply been a change of opinion on the part of the board. I do not think this is fair to the Minister of Soldiers' Civil Re-establishment (Mr. King, Kootenay) and to this House, and that is the attitude we should take with regard to pensions. I think it the only correct view, because so far as this House can do so it has paid due attention to the subject of pensions and has made proper provision for the returned men.

We have had this act gone over both by special committees of the House and by a royal commission. We have had prolonged debates in this House and we have not succeeded in satisfying the many claims presented. No doubt the act has been imperfect. We should have a more perfect act, but unless there is a more reasonable attitude on the part of those who have to deal with pensions we can hardly make the progress that we otherwise would.

Mr. A. E. ROSS (Kingston City): The address of the Minister of National Defence (Mr. Ralston) was listened to with a great deal of interest by all members identified with this very important matter, and I am satisfied that if the spirit and sympathy which he exhibited had been behind the attitude of the present pension commissioners there would have been no need of a federal appeal board such as we have to-day. But the minister evidently failed to grasp the question that was raised this afternoon. The claim was made very specifically that the question was one of administration, and the specific cases cited bore out the claim. For that reason the matter was brought up here. In raising the question we naturally incur the charge of criticizing the present Board of Pension Commissioners. Now for years, at any rate as long as I have been a member of this House, we have had criticism of the board and of the administration of the act from year to year. The address delivered by the minister to-night proves the usefulness of the work of the committees which were appointed from year to year. Those committees went through all the suggestions brought forward and winnowed out those which would be of the greatest importance to the ex-service man and at the same time satisfactory to the country which was granting him relief. The prevailing dissatisfaction, I believe, is due to the fact that this procedure has not been followed during the last year or two; and if there is no criticism offered on the floor of the House how can complaints come before this administrative body, before the minister, or before those interested? The putting the Board of Pension Commissioners on a high level elevates them above the gods of mythology who lived on Olympus. Even they, gifted with wings, came down from time to time to look after the affairs of men, to mix and mingle with them and to help them, but to-day it would seem that these gods on Olympus, in the persons of the pension commissioners, cannot and will not come down from their height and we cannot get near them. I do not think the House or the country or the ex-service men will accept that position. Therefore we must persist in a certain amount of criticism which will give the minister some idea as to how matters stand, regardless of what he receives from the departmental officials or from communications addressed to him. I hold, therefore, that the House is functioning in a proper way if hon. members deal critically with this matter, taking care always to give due consideration to the country's side of the case. I make that contention for several reasons. Every court, as far as I know, recognizes the right of appeal, and only a few years ago the ex-service men were given such a right. Before I conclude, however, I hope to show that the soldiers' right of appeal has been interfered with considerably. Every citizen has the right to petition this House and have his case considered regardless of whether or not there is a commission dealing with the matter. This House is the highest court to which any person in Canada can appeal. It is the creator of any commission that may be functioning, and as such is surely in a position to rectify or reconstruct where such a course is necessary. The hon. member for Quebec South (Mr. Power) this afternoon took the opposite view. He claimed that what I am contending for is not proper; that although he had been approached by a great many people with grievances, he had not indulged in criticism of the board. I think he censured them more severely than any member who has yet spoken on this question because he charged them with a lack of common sense in some instances of which he knew, and as far as I am aware no other member went to that extent. Never-

theless, in spite of the grounds for complaint which the hon. member had, he refused to criticize the board. I consider that the interests of the returned men are far more important, and should be to all members of this House, than any question of criticism of any commission, no matter how lofty the Olympus may be upon which it resides.

Now what did the hon. member for Vancouver-Burrard (Mr. Clark) do this afternoon? I should like to return to that point because it is a subject of this discussion. What crime has he committed for which he should be censured as the hon. member for Quebec South censured him this afternoon? He simply brought to the attention of the minister and of the members of the House the treatment extended in a certain case. I desire to take up, point by point, his presentation of the case. He claimed the right as a representative of the ex-service men to plead the case of such applicants before the board. Surely no member of this House would refuse that right, or would say that the ex-soldier, in addition to the official representative, should not come before the board. In the next place he claimed the right, as representing the citizen in this House, to plead a deserving case before the body body appointed by this parliament to consider it. Does any member of this House refuse that right to him? Further, as a representative of the citizen he claimed the right to make use of the file which constitutes the applicant's record, a right which he claimed was denied him. That is a matter of administration, as the hon. member himself argued, and not of legislation. He claimed here that at first he had not been granted access to that particular file; that it was refused to him. I cannot understand why that was done, because I have had dealings with three or four ministers and with the officials of the Department of Soldiers' Civil Re-establishment, and in every instance I have been given the use of the file to present the applicant's case or to get the necessary facts from it. That file is not so sacred or so secret as is claimed. It deals with the man's military service and he has to depend upon it for a statement of his case. I do not know why a file should be refused to any member of this House who is endeavouring to assist the ex-service man.

The hon. member for Burrard further claimed that the minister should take a personal interest in this particular case. I do not know why the minister would refuse to do that. No minister refused to do it in any case I was identified with, and I have secured pensions for men by insisting that the minister should see the man, with a representative of the department, in my presence. If I could not prove that the man had a disability I would have paid his expenses. In every case in which I took that stand I must say that I received satisfaction. Now these are the four claims that the hon. member for Burrard brought forward, and every one of them is a claim that any member should have the right to take up.

Coming to the question which precipitated the discussion, that of the claims of the ex-service men, the minister knows as well as I do that the legislation placed upon the statute books does not meet all the cases calling for treatment. In two instances at least recommendations made by the pensions committee were not, so far as I could find, given effect to by legislation. Moreover, the minister or the department should know that there were accepted by that committee and by representatives of the ex-service men certain recommendations which for a year at least were not placed in the regulations and which, when they were placed there, were inserted in a different form from that which the committee had recommended. That should not be done; the recommendations of the committee should have been accepted or rejected. Every member of that committee left thinking that these recommendations had been accepted by representatives of the pension board and of the Department of Soldiers' Civil Re-establishment, and by the ex-service men or their organizations.

The minister knows further that there are in the act to-day sections which are seriously interfering with the rights of ex-service men. I base my strong criticism of the department in their administration of this act on the fact that they know there are certain sections which are interfering with the man in his claim. Let me give one instance. The department has had inserted in the act a section which deprives the man of any right to a disability if, during his treatment or hospitalization, he has suffered a disability. If that man undergoes an operation, he cannot claim a disability. There are two or three striking things that I think the minister knows or his department or the board know. They know that operations have been performed where the men have suffered as a result of them and yet have not been allowed a disability. If the department want to do the fair thing,

they should withdraw that section. The Board of Pension Commissioners have at the present time more than one case where a man has suffered as a result of an operation.

Mr. KING (Kootenay): Was the operation for a war disability?

Mr. ROSS (Kingston): Yes. When an operation is performed for something, such as appendicitis, that is not a war disability, I do not think the department should at this time assume responsibility for it. There is no reason for retaining that section. The particular case to which I refer is where a man was being hospitalized for varicose veins and I believe by mistake they operated on his feet. As a result the man has not walked since. It is quite true that they say they found out later that the man had a venereal disease. The board had all the evidence before them at the time and they were the only ones who knew he had it, but in spite of that they operated on him. I believe that section should be struck out of the act and that in such a case the man should be given a fair show.

The Minister of National Defence stated that at the time the appeal board was created it was not an appeal board that was first suggested. We know that, but at the same time we know that the appeal board to-day, which has done some good work, is being hindered in its activities by one or two things. The Federal Appeal Board cannot change the diagnosis as set down by the Board of Pension Commissioners. In one case we forced them to withdraw that diagnosis. It is a serious mistake that the appeal board has not the power to change the diagnosis, because upon that diagnosis will often depend the question whether or not a man is eligible for pension. The Federal Appeal Board cannot act in that case and it cannot change the percentage. These are matters of legislation which can be remedied.

Mention has been made to-night of the tuberculosis condition. The department are aware that they have advisers who have no sympathy as regards the effect of gas upon the ex-service man. Dozens and dozens of these cases have come under my observation, and in bringing these cases to the attention of parliament I want to be a little personal. After the conclusion of the war I was offered a position on the pension board. I refused because I believe that after my four years' service and experience in charge of medical work at the front I could be of more use to the returned man off the board than on it. I have done my best to show this House that the cases which come up for consideration will be with us until the last days of the last man who served in the war. There seems to be an idea that these cases should be wiped out. The war was a most peculiar one. The weapons employed in it had effects upon the human system that the medical profession had not had to deal with before, and the result is that there are going to arise in men conditions that would not be considered in former wars but which must be considered in connection with this war. For years I have pointed out that there must be a sympathetic attitude, a new relation of the medical man to the ex-service man, and that only those who have had service at the front can be in a sympathetic relation towards the returned soldier because they have the knowledge and experience in regard to these cases.

There is no question that gas has left effects upon the men. Those who were at the second battle of Ypres will remember that when men who came back affected by gas attempted to return to the front, they dropped dead on the way owing to the condition of their hearts and lungs. I have found all over this country men suffering from the effects of gas. If you have a medical adviser who has never seen the effects of gas and who is constantly non-sympathetic in regard to it, the ex-service man is going to suffer. The board have advisers of that character and on that account the men cannot get sympathetic treatment. I feel that my experience and relations with the ex-service men at the front have put me into a better position than that of others who have not the same experience to deal with some of these cases. I believe, as the Minister of National Defence has said, that the whole secret of this act lies in administration and sympathy. The sections of the act and the regulations must, of course, be followed, but unless you have that sympathy you will not make much headway.

The minister and several other members this evening have referred to the sections that have been struck out of the act or changed in the other chamber. Why can we not reinsert these and send them up to the other House every year until we get satisfaction along these lines? The Minister of National Defence referred to the fact that it was easy to connect disability with service. He took the stand to-day—and I think if that were accepted it would help a great deal—that if the disability occurred during service the man was entitled to a pension. I would refer him to the case already mentioned where a hemorrhage occurred on service, and yet the man was not granted

any pension or consideration. I believe that the minister is giving perhaps a little more attention now to what is being said; at one time he was paying very little attention. The matters I have brought before him, I think he will agree are all of a constructive nature, and if the old system of having the committee appointed every year is renewed it will relieve the minister of responsibility. If every year is too often, let it meet once in two years. That would enable the members to bring before the proper tribunal cases which they feel are deserving. As to any legislative changes that I have suggested, all the minister has to do is to bring them before the House, and I can assure him that they will be readily accepted by this House in the interests of the ex-service men.

Mr. A. M. YOUNG (Saskatoon): Mr. Speaker, I desire to take just a few moments, not because I do not think this subject is worthy of a longer time, but because everything has been well said already.

I would like to congratulate the Minister of National Defence (Mr. Ralston) for the very clear way in which he has presented this question, on which he is an expert. I must confess to being a little bit sorry that perhaps from both sides of the House things have been said which seem to have a little partisan ring to them. I have no sympathy with any partisanship in this House, no matter on which side it is, on a question of this kind. This is too vital a matter for partisanship.

I want to say another thing. When it comes to a question of the soldier or the treasury, my sympathy is entirely with the soldier. I believe that the Minister of National Defence has given us the real reason for the difficulty in this whole matter. I believe that if we had a little more sympathetic consideration by the board, a great many of these difficulties would be removed. I had occasion a few days ago to visit the board, and I made this statement, that I did not believe there was one member in the House on either side who wanted the board to interpret this act in any other than a broad and generous spirit, and not in a technical way at all. I want to state in that connection something which may reflect on the pension board or on the board of appeal, or on both; I am not concerned which.

There was a man in my riding who had a difficulty prior to enlistment. That difficulty was the occasion of an operation after enlistment during the time he was on service. Now he applies for a pension. I may say that his condition was hammer toes, one on either foot. His toes, I suppose, are all right, but on the bottom of each foot he has very large callouses, so large and bad that he gets around with very great difficulty. The pension board refused him a pension. He then went to the board of appeal, and they decided his case favourably. The case then went back to the pension board for action, and they took the position that because there was no medical category to which the board of appeal could refer that case, they could not act. It seemed to me the difference was the difference between Tweedledum and Tweedledee. I do not believe the man knows really what is the cause of his trouble. All he knows is that he has trouble with his feet, that it is very difficult for him to walk, and while these two boards are arguing where the authority really lies, this man is suffering. I said to them this: In a case of that character you should, in my humble judgment, give the benefit of the doubt to the returned man and see that he gets relief. If we interpret the act in that way, we would not have as much difficulty as we have.

I want to be fair to the board. I have taken many cases before them, and I have received a great deal of sympathetic consideration. We must recognize this fact, that there are many applications for pension, there are two sides to every question, and when a man is turned down he naturally feels aggrieved.

This is not the place to cite cases, but there is one other I might mention. It is that of a farmer—I am not talking for political friends—a well, strong, husky man, a farmer before he went overseas. During his service some rash broke out on his body. I believe they call it eczema, and although I am a medical man I am not quite sure yet just what eczema is. This rash breaks out from time to time. Unfortunately the man does on occasion take a little alcoholic beverage, and he is worse after that. Apparently the pension board is going to insist that this man become a prohibitionist to see if the disease will not clear up under that cure. I do not believe that we should go to the extent of requiring a man to become a prohibitionist, no matter how good that might be. This man is suffering very much; he is a charge upon his friends, yet in spite of all he can do and all his friends can do, he cannot get a pension.

I want to compliment the Minister of National Defence on the very sane and logical viewpoint that he took. If the board will take every case into their sympathetic consideration and interpret the act in a broad and generous spirit rather than concern them-

selves with technicalities, many of our difficulties will be removed.

I am glad that the Minister of Soldiers' Civil Re-establishment (Mr. King, Kootenay) is moving some amendments. In some cases that have come before me the difficulty seems to be the length of time provided in the statute during which the soldier may apply for pension. I understand the minister is going to extend the time for two years. May I say to him that if he chooses to do away with the time limit altogether so that a man suffering from a disability due to war service will get a pension, I would be very happy to support him and go the whole limit. It may have been a good thing, up to the present, to have some time limit but I think the time has now arrived when we can give fair and just consideration to all cases irrespective of time limits.

Hon. E. B. RYCKMAN (East Toronto): I shall speak for but a moment, but I wish to refer to certain observations which fell from the Minister of National Defence (Mr. Ralston). I thank the minister for his knowledge of the subject and for the information which he imparted to the House. I think, however, that when he reads in Hansard what he has stated he will find that he has left us with a contradiction, and it is this: He said: I find no fault with the pension board; I find no fault with the Federal Appeal Board; the law is there; they administer it. Later on he said: The difficulty is not one of legislation so much as of administration. Now if the pension board are required to administer the law as they find it, and if there is no fault to be found with their administration, we are driven irresistibly to the conclusion that the real fault is in the legislation.

The minister went on to say, in effect, that you could not legislate sympathy into this act. I am of the opinion, Mr. Speaker, that that is just what can be done. I think that discretion can be left to the pension board. You can have regulations, if you like, not cast-iron regulations which they are bound to follow, but well-defined regulations which they will be at liberty to break through if they feel the case warrants it.

Living as I do in a populous district where there are many ex-service men, numerous complaints reach me. Every member no doubt is approached by many returned soldiers who have a real grievance, and the human heart goes out to these men, especially when convinced in his own mind that the justice of the case is with them. In several cases I have been firmly of the opinion that pensions should have been granted. Suppose the man did not get it, there would be hearing after hearing of his application, but no relief would be forthcoming. If the applicant persevered, as happened in several cases, the board yielded and a pension was granted. Then the idea would go abroad: Oh, it is easy for one man to get relief upon his application, but the other man must fight his way through the woods until finally he takes this fortress as he took positions against the enemy. That should not be the case. I support my leader in this respect. I do think that the act should be generously amended, and I suggest that the Minister of Solders' Civil Re-establishment and the Minister of National Defence retire, and although the time is short before to-morrow, I am confident the two of them could bring in amendments which would satisfy the ex-service men and the country, and would give us at this session the best workable act possible. I conclude from the statement of the minister that we are to have amendments. That notice came late; but better late than never.

Now, with this notice before us, that in committee we are going to consider amendments to this act, I request the government to make those amendments generous so that they will meet every real case that the Minister of National Defence thinks exists at the present time. I am confident if that is done the returned soldiers will be satisfied and the country will be satisfied. There is a duty resting upon us to be absolutely fair to these men. I believe the one thought that animates every member of this House is to be sure that we do not fail to recognize any claim that can possibly be adjusted.

Mr. GEORGE BLACK (Yukon): Mr. Speaker, I only rise to second what the hon. member for East Toronto (Mr. Ryckman) has just said, in urging upon the government the necessity of making these very much needed amendments to the Pension Act before the close of the session. There is still time enough to do so. I am sure that anyone listening to the hon. Minister of National Defence (Mr. Ralston) to-night could not but be impressed with his wide knowledge of the subject under discussion and be forced to the conclusion that in his opinion, as in the opinion of many members of this House, in fact of all members who have studied the question at all, the Pension Act needs amendment, and needs it immediately; and further, that there might be an improvement in the administration of the Pension Act.

The hon. member for Burrard (Mr. Clark) began the discussion this afternoon. I have

acted with him on all the committees for the past seven years that have had to do with legislation relating to returned soldiers, and I know that he has been ready and willing to give every consideration to the findings and administration of the pension board. That has been his attitude in opposition to a very strong feeling on the part of some members of those successive committees, which amounted in fact to animosity and open antagonism to the personnel of the board. Feeling as I know he has felt all along towards the pension board, I can only conclude that he is fully seized of the justice of the case that he presented to the House this afternoon, and that it must have been under great provocation that he felt bound to present that individual case to the House. I would urge the minister of Soldiers' Civil Re-establishment and the Board of Pension Commissioners to give that case further consideration and not to let any mere personal difference, if any exists, between the hon. member for Burrard and any member of the Board of Pension Commissioners to stand in the way of doing justice in that and other cases. I think the Board of Pension Commissioners would do well to take a hint from the remarks made to-night by the Minister of National Defence in regard to their administration of the act. It is surely an intimation to them of how the government wishes them to administer the act and to consider the various cases that come before them.

I am bound to say that my experience in bringing cases to the notice of the board has not been just what some other members have detailed to-night. I have not always agreed with the board, we have had many differences of opinion, but I have always found them ready to give fair consideration to every case. True, it has taken years in several cases to get them to grant the prayer of the petitioner, but their change of attitude in every case has been due to my adducing some additional evidence which brought the case within the four walls of the Pension Act. One case had gone to the board of appeal and I was asked by the petitioner to present it there. In going through the record and on questioning the petitioner I discovered some very important evidence had not been brought to the attention of the pension commissioners at all. Without pressing the appeal I applied to the pension commissioners to reopen the case and let in this further evidence. They did so immediately and upon that evidence granted the prayer of the petitioner and awarded pension.

I do not propose to cite individual and personal cases. I agree with the Minister of National Defence that to some extent what is required is a broader administration of the act, but I also think that the act should be amended in certain particulars.

Mr. RALSTON: Does not the hon. gentleman think that the amendments which the Minister of Soldiers' Civil Re-establishment has announced, and to which I referred, providing for a second appeal in cases of newly discovered evidence, will take care of a great number of cases? Does he not think that that perhaps is the most vital legislation outside of removing the bar to extending the time of application?

Mr. BLACK (Yukon): Perhaps it is, but so far as the application for a pension is concerned I think there should be no time limit. I think the right to a pension is a continuing right. That right may not be established for ten years when the limit is nine. I do not think the applicant should be shut out by any time limit. In my view every case should be dealt with by the board on its merits as it arises and should not be hampered by any time limit. As a matter of fact I think the government last session and again this session should have appointed a committee of the House to deal with pension legislation affecting returned soldiers and their dependents, and having failed to do so, it being their policy apparently, the government should have prepared the necessary legislation without the assistance of a committee of the House. They are well equipped to prepare that legislation without any assistance from private members, for they have the Board of Pension Commissioners, they have the appeal board, they have the Department of National Defence, they have the Department of Soldiers' Civil Re-establishment with all their experienced and well-qualified staff to advise them, and I am sure that every member of the staff would be willing to devote his best abilities to that work.

Now, in addition to any suggestions that private members might make as to legislation, the government has before it, as has every member of the House, no less than thirty-eight amendments suggested by the Canadian Legion of the British Empire Service League. These amendments have been put forward after careful consideration and discussion by men well qualified to deal with such matters. Following the suggestion made by the hon. member for East Toronto, I would suggest

that the Minister of National Defence, the Minister of Soldiers' Civil Re-establishment and a small select committee take the matter under consideration even at this late stage of the session and endeavour to bring in additional legislation to alleviate the hardships now being suffered by some of our ex-service men. I do not think any member of this House would begrudge the time necessary to enact such legislation, even though it should necessitate the continuation of this session for a number of days.

Mr. W. K. ESLING (West Kootenay): Mr. Speaker, I desire to offer a word more directly in connection with the amendment proposed in Bill No. 234. It is to be regretted that there is not a single amendment offered as a result of the Winnipeg convention and the suggestions placed before the minister. What he offers is merely for the purpose of changing the numerical complexion of the appeal board. It seems to me that at least one of the several amendments suggested by the service bureau of the Canadian Legion might be considered in connection with the amendments to this bill. Take for instance the Soldiers Insurance Act. There is not a member of this House who has not received telegrams and letters urging that the Soldiers Insurance Act be continued. It would not require a new administrative staff inasmuch as that division of the Department of Soldiers' Civil Re-establishment is already functioning. The staff is at present engaged in the payment of claims and the collection of premiums. It would seem from the reports that during the past year the soldiers' insurance division of the Soldiers' Civil Re-establishment paid 221 claims and collected premiums amounting to about $1,000,000. It has about $4,250,000 on hand, it has 26,000 policies in force and about $59,000,000 worth of insurance. All that is required is an amendment to the bill to continue that insurance machinery in operation.

I want to say a word about this amendment, the purpose of which it is difficult to understand. The minister will correct me if I am wrong in the statement that the act provides that the board shall be composed of not fewer than five and not more than seven members. The minister by his amendment asks for authority to reduce that number; he wants to provide for a board consisting of not fewer than three and not more than seven. One wonders just what this appeal board does. Take the report submitted by the Department of Soldiers' Civil Re-establishment. It contains sixty pages and there is not a full line in the whole document relating to the activities of the Federal Appeal Board. Every branch of the Department of Soldiers' Civil Re-establishment is dealt with in detail; all the accounts of the innumerable activities of the department are set forth; but when it comes to the Federal Appeal Board mention is made of it in only three instances. In one case there is mention of $150,000 for the purpose of the board; in another case there is a reference to $31,000 for salaries for the appeal board; and there is another mention of $6,000 also for salaries. But there is not one solitary reference to anything the appeal board has done or where it has held its sittings; no mention is made of its activities. There are two pages in the report giving a table of contents, and you cannot find in that table any reference to the Federal Appeal Board. One wonders therefore, I say, what the board has accomplished. This board is supposed to conduct its activities in every part of the Dominion and in order to facilitate the work the Dominion is divided into eight units. There is one for Quebec, one for the maritimes, one for eastern Ontario, one for central and western Ontario, and there are four for the four western provinces. I should like to have the minister make it clear what his object is in wishing to reduce the membership of the Federal Appeal Board. Certainly it cannot be for the purpose of facilitating the disposal of the applications of men who have not had their pensions granted by the pensions board. We must naturally assume that when an appeal is taken to the Federal Appeal Board the case is a deserving one. Now what is the situation? There are eight units in which this appeal board is supposed to carry on its investigations, and in every one of these units the appeals to-day are precisely one year behind. I can cite one unit in which last year there were 1,400 appeals, of which number fifty were disposed of. If therefore there are no new appeals to be added to the list, it will take just twenty-seven years to dispose of the appeals that are before that one unit.

Mr. RALSTON: What unit is that?

Mr. ESLING: Montreal. In view of that fact is there any common sense in the minister presenting such an amendment as this? When the bill comes before the committee I intend to offer an amendment to provide that the Federal Appeal Board shall consist of nine members so that it may function in quorums of three each and in that way carry on its operations throughout the Dominion with some hope of disposing of some of the applications before the poor fellows pass away.

Mr. PETER McGIBBON (Muskoka-Ontario): I rise to put on record some statements in answer to the observations of the Minister of National Defence (Mr. Ralston). There is no finality to this question, nor will there be any, and the sooner parliament and the country realize that fact the sooner we shall get some legislation passed which will be satisfactory to returned soldiers. According to the answer the minister made me, it is easy for anyone to get a pension. All that is necessary is for some doctor to certify to the ex-soldier's disability having been caused by the war, and the pension is granted.

Mr. RALSTON: I did not say "some doctor"; I said the medical adviser to the pensions board.

Mr. McGIBBON: That restricts it very much. It leaves it to one or two men who happen to be on the board.

Mr. RALSTON: I assume that they are honest men. If they are not they should be removed and replaced by others in whom the country can have confidence.

Mr. McGIBBON: I am not referring to the medical men on the pensions board; I am not discussing them. I am referring to the difficulty ex-soldiers experience in getting pensions. It has been the experience of every medical man after presenting evidence to the board to have it turned down without due consideration. The minister was right in the statement that the whole thing resolved itself largely into a question of administration and sympathy. Sympathy is the thing which is largely wanting. I know that the members of the board are first-rate men, but like everyone else who has spoken, I think they consider themselves a body which should protect the treasury of Canada. That seems to be the outstanding consideration to them, rather than that of seeing that justice is done the men who have served overseas.

As I said a few moments ago, there is no getting away from the fact that we have arising to-day upon the medical horizon diseases and conditions which were never known before. For example, the hon. member for Kingston (Mr. Ross) referred to the gas attacks. We have to-day, arising in the lungs, and the minister will bear me out in this, conditions of primary carcinoma which was practically unknown before, and nearly all of such cases which have come under my knowledge have been cases of soldiers who went through gas attacks. The plain assumption is that the irritation of the gas—because irritation is one of the great causes of cancer—has been the primary cause of the later developing carcinoma. We cannot prove it; we would not expect a medical man on any board to say that we could prove it, but it is common sense to make that deduction. Every man is more or less gifted with that quality, and when he sees certain conditions following certain causes, common sense connects them up. For instance, if you see a wreck on the shore you naturally conclude that there has been a storm. We have other diseases of the lungs which we did not know before; we have mental diseases and nervous diseases which we can hardly classify. I think the best diagnosis I ever heard made was given by a witness before the pension committee, when he said the patient was like a battery which was discharged. It is hard to put a name to a condition of that kind; you cannot do it, but at the same time every medical man and every other man will admit that there are a lot of those men who have had something taken out of them through their service which cannot be put back; they are like batteries which cannot be recharged. Then you go on to the border line of diseases of insanity. Look at the wave of crime sweeping over the country, and see how often the criminals are ex-service men. Go a little further, and see how our asylums are being filled up; see how men eight or ten years after the war are breaking down and going insane when there has never before been any evidence of insanity in their family history. These are new conditions which I claim are attributable to war service; I admit that you cannot connect them up and you cannot say they are absolutely due to war service, as the minister asks. You cannot prove it because it is something new in the realm of medicine, but the day is coming when it will be recognized as a fact. There is a whole list of new diseases and conditions which are rising on the medical horizon which are no doubt due to war service. These people are not getting pensions; they are disabled; something has been taken out of them which cannot be replaced, and the day is coming when that fact will be recognized. That is the reason I say there is no finality to questions of this kind. These questions are not easy; I sympathize with the minister and with the Board of Pension Commissioners, because it is a very difficult matter and I believe it will become more difficult to administer this law with justice to the applicants and justice to the state as the years go by.

Before I leave that point, let me remind the minister about his appeal board. I have no objection to his reducing it and I would have no objection if he wiped it out, as I

think it has been useless. It has had no power, and any court without power is certainly quite useless. The appeal board, for instance, cannot change the diagnosis of any case in which appeal is taken from the judgment of the Board of Pension Commissioners. The hon. member for Kingston (Mr. Ross) made a statement which I could hardly believe to be correct; I have asked him since, and he tells me he knows it to be right. I refer to his remark that the appeal board has no power to increase a pension. Is that correct?

Mr. RALSTON: They have no power to increase a pension.

Mr. McGIBBON: Then what power have they? The two main functions of the pension commissioners are to find out what is wrong with the man and his percentage of disability, but the appeal board can do nothing with either question. For heaven's sake what can they do; what were they supposed to do?

Mr. RALSTON: Ask the people who restricted their powers.

Mr. McGIBBON: What I am pleading for, as I pleaded the other night, is that the minister should remove those restrictions in order to make this board function and be of some use to the country and to the soldiers. I think that is a vital point; we have a board which can neither determine the diagnosis nor the amount of pension to be paid, so it would seem to be useless.

Mr. RALSTON: My hon. friend uses the word "determine"; he does not mean that. I think he means "change", as he said before.

Mr. McGIBBON: It is the same thing. They might be convinced that the primary board were wrong in their diagnosis and that the man had something else wrong, but they cannot change the diagnosis. They might determine that the man was receiving a pension that was too small, but they cannot increase it. For heaven's sake, what good are they? I cannot understand, Mr. Speaker, what good a board of that kind is; I would wipe it out if I could not remove those restrictions, because it is only deceiving applicants for a pension.

Mr. RALSTON: I do not think my hon. friend would wipe it out.

Mr. McGIBBON: No; I would wipe out those restrictions and make it alive and part of the institution so that it could function.

[Mr. McGibbon.]

I would like to say just one word about the insurance question, because I think perhaps I did more to bring that act into force than any other member of that parliament. I claim that that act is supplementary to the Pension Act. Supposing a man comes back from the war crippled, and contracts some disease; he cannot pass a medical examination but is anxious to protect his family. What are you going to do with that man; how is he going to provide for his wife and children? I would be very sorry, Mr. Speaker, to see that act cease to function, because I think it is complementary to the Pension Act, and is an absolute necessity if we would do justice to these pensioners. I seriously hope that the minister will not allow that act to die, and I also hope he will remove the restrictions which prevent the appeal board from being useful.

Mr. THOMAS CANTLEY (Pictou): Mr. Speaker, we all listened with a great deal of interest and sympathy to the remarks made by the Minister of National Defence (Mr. Ralston); I think we all realize that probably no man in this House gave as much consideration, attention and constructive effort to the act as did the minister. He said that he thought the failure was more administrative than legislative; well, hardship has occurred somewhere, and it may be that the administration has broken down. If so, that should be changed.

I fancy my experience does not differ very much from that of other members of this House. More than half the correspondence I receive from my constituents has to do with cases of this kind, and there is a feeling in the country—I am not blaming the government, I am not blaming the minister—that the situation is one that should be dealt with by parliament. Unfortunately it is not being dealt with, or if it is, only to a very limited extent. Now I think that is regrettable, and parliament should not prorogue without some effort being made by constructive legislation to meet a situation which is causing a very great deal of disquiet in the country. That there is disquiet there can be no possible doubt. The fact is brought home to me daily, or at least weekly, by the correspondence I receive; and on occasions when I have returned home I have been approached time and again, in the country and in the towns by men and by their relations seeking to have grievances redressed. I tell the minister, as well as the government and parliament, that a feeling is being aroused which should not exist in this country, and something effective should be done at once to allay that feeling.

Hon. R. B. BENNETT (West Calgary): In common with most members of the House, I suppose, I have received telegrams from the Canadian Legion suggesting that I remain in my place here long enough to enable the government to deal with those amendments to the Pension Act which in the opinion of the service men are so essential to their well-being; and the suggestion I have to make, after listening to the very luminous observations of the Minister of National Defence (Mr. Ralston) is that he and the Minister of Soldiers' Civil Re-establishment (Mr. King, Kootenay) take a day and frame such amendments as they think may reasonably meet the situation for the year, and put them in as amendments to the present bill. I do not think that is asking too much, and it would do a great deal to calm—I will not use quite as strong a word as agitation—to calm the feelings of those who have considered this matter with much care, namely, the men themselves and their representatives at Winnipeg.

I should like to congratulate the Minister of National Defence upon the very interesting statement he made upon the subject. It was characterized by moderation and clarity, and I am sure was a very important contribution to the literature upon the subject so far as this House is concerned. My experience—and I am bound to say it has been very considerable, because one is constantly being interviewed by those who are affected—leads me to conclude that the commissioners have hardened in their interpretation of the act. That is, in the early days of its administration they placed upon it a more sympathetic and broader interpretation than they now do, and there has been a steady hardening, if I may use that word, with respect to the interpretation of the act itself. That has been brought about by many causes. One has been a desire to save the exchequer from the insistent demands upon it. Another has been the feeling that at times the commissioners have been imposed upon. I know of my own knowledge cases in which, under the earlier interpretation of the act, pensions have been awarded that should not have been awarded. The Minister of Soldiers' Civil Re-establishment has seen the list that was prepared at one time in this respect, and it has caused a very great deal of feeling in the community. You see A receiving a pension and B, who feels that his claim is quite as strong, not receiving one because the claim for it was made years after the pension had been awarded to A, and there is a consequent feeling throughout the community that an unfairness has been done to B.

Now, as I see it you have two classes: first, the soldier himself, and secondly the dependents. Among the dependents I include the wife, the widow, the mother and the children. With respect to the soldier himself there is one branch of the matter that I have not heard mentioned to-night, in connection with which there has been a very serious hardship upon the applicants. For instance, a soldier applies for a pension. Almost from superficial observation his condition is apparent to the layman. The doctor certifies as to his medical condition. He is told that he cannot receive a pension because his condition is attributable to his pre-war state of health. I have many of these cases. They say: We cannot give you a pension because upon analysis of your record of health we find that the disability of which you speak could not have been incurred during service but must be attributable to your pre-war condition. I doubt not the Minister of Health remembers some of these cases and every member of this House has heard of them. Now think of the unfairness of that. The Minister of National Defence will tell you as a lawyer that a man in private life who carried on his business in that way would be estopped absolutely from setting that up as a defence. Yet the pension board has set up that defence times without number, and has said that the applicant shall not receive a pension because his condition was not attributable and they use these words—to "war service but to his condition of health prior to his enlistment." Now my contention is that if the man's health was such that he could pass an examination and be certified as a fit and proper person to serve his country overseas it should not lie in the mouth of the department to say that his condition is a pre-war condition. I regret to say there are a great many of these cases and they have given me a good deal of worry. Not long since I discussed this matter with an imperial officer—perhaps he will object to my mentioning his name—who gave me some information with respect to conditions in England. Now as I understand it, in England parliament set up a committee of appeal composed of members of the House of Lords and they heard ten thousand cases, and if his records are correct not less than six thousand cases were favourably considered. The minister will tell you whether or not that is a fair statement of the matter because he has given a great deal of attention to it. It indicates the frailty of humanity, the weakness of human judgment, the possi-

bilities of error. Surely we can lay down this principle—that any man who has been accepted by the nation as being in fit health to serve the state cannot have it urged against him that the condition in which he finds himself after the war is attributable to pre-enlistment days.

Mr. RALSTON: I think my hon. friend's case, if he will permit me, must be the case of a man who has not served in an actual theatre of war, because section 11 of the Pension Act says exactly what my hon. friend claims should be the law. I will read it:

(b) No deduction shall be made from the degree of actual disability of any member of the forces who has served in a theatre of actual war on account of any disability or disabling condition which existed in him at the time at which he became a member of the forces; provided that no pension shall be paid for a disability or disabling condition which at such time was wilfully concealed, was obvious, was not of a nature to cause rejection from service, or was a congenital defect.

Mr. BENNETT: I would have thought, as the minister has said, that that clause was broad enough. I quite agree with what the minister says. I am not going to give names and multiply cases because it is quite obvious that we must rest on generalities if possible and leave particular cases to be dealt with as they arise. I would have thought that the law was broad enough if it were not for the cases that have come under my own observation. I have been unable to have them successfully dealt with because it could not be said that the condition of the men was attributable to the cause alleged, but that the condition complained of was attributable to a pre-enlistment cause, and therefore the pension was not payable. That is the position taken, but it would not be open to very much discussion in a court of law. But they go a step further. They draw a sharp distinction between those who served in a theatre of war and those who did not. The minister has stated to-night, and I took down his words, "that the right of claim arises out of service during the war." Those were his words—"service during the war".

Mr. RALSTON: Incurred during service, was it not?

Mr. BENNETT: Incurred during service, the word "service" meaning the length of time that had elapsed from the date of enlistment until discharge. Under the statute that is the definition of service. Therefore if the injury complained of occurred during service, whether in the theatre of war or not, the minister and myself would say that undoubtedly the right to pension arose.

[Mr. Bennett.]

I regret to say—and there must be other hon. members who have had the same experience—that numbers of men have been unable to obtain pensions. It was only a few days before I came to Ottawa that a man came into my office and pointed out to me his condition and circumstances. He could not get a pension because they said: The condition of which you complain to-day was a condition present when you enlisted, and your present condition is entirely due to your pre-enlistment condition of health. That is a wrong attitude for this country to take. I would suggest that during Saturday my hon. friend could make the statute clearer so as to make it apparent to anyone who desires to read it that this state will not set up, against the man who has been accepted to serve—whether in a theatre of war or somewhere else, but at least in the service of the country overseas—a condition which is not in accordance with that of the medical officer who examined him for service.

During the last year or two I have seen some cases of singular hardship. One wonders why it is that a condition was allowed to continue which made it possible for pensions to be awarded in cases where one could not understand why they were awarded, while in other cases pensions were refused where it was difficult to understand why the refusal should be made.

Mr. RALSTON: The board are apparently not trying to save money then?

Mr. BENNETT: Not in those cases. That is the point I desire to make. The time has come when something should be done to remove these anomalies. Is it not a fact that in England they found it necessary in the House of Lords to set up this tribunal? The minister has given the matter so much attention that I am sure he will remember that. I thought at one time a small committee of this House, sitting in camera in the early days of a session, might reconsider and deal with many of these pensions in the light of the added knowledge that has come by reason of our having more complete records than we had when the pensions were awarded. But that would not meet the case. What must be done is to make this act so clear in its meaning that, however desirous those who administer it may be to place upon it a hard and technical interpretation, they can not and will not be permitted to do so.

What the minister has said about sympathetic administration comes down after all to this. Men who conceive it to be their duty to interpret a statute may well be within their rights in narrowly construing it and

barring out numbers of deserving cases. Other men actuated by different considerations may place upon the same words a wider and more generous and sympathetic interpretation. We know how in statutes of this character various interpretations have arisen. I suggest with some deference to the minister or ministers that the real fact is that the Pension Act to-day is being construed as a criminal statute—and I do not use the word offensively—whereas in the early days it was construed in accordance with the general principle of civil jurisprudence. We say in criminal law that the onus of proof rests upon the crown and that the crown must prove its case beyond a reasonable doubt. As the Pension Act is now being interpreted by the board, they have placed upon the applicant the onus of proving his case beyond a reasonable doubt just as the crown must do against the accused in a criminal case.

In a civil case the plaintiff must establish his contention by preponderance of testimony, the distinction between criminal and civil matters being "beyond a reasonable doubt" on the part of the crown in the crimnal case and "preponderance of testimony" with respect to civil matters. In the early days I think it is quite clear that the pension law of the country was administered on the principle of preponderance of evidence. There being no evidence against the case set up by the applicant, he got his pension or his dependent got it as the case might be. If I were compelled to do so, I could cite cases in which it seemed to be reasonably clear that pensions should not be awarded. But there was no counter case set up; the preponderance of evidence was that of the applicant, and that was the end of the matter. In later days, however, by the hardening of the board in the interpretation of the act, they have now compelled the applicant to establish his case beyond a reasonable doubt. I have had numerous cases brought to my notice—and this is part of the gratuitous service, the only service a man can do for those who have served in the war—in which I have found that hardening and that the attitude of the board was to compel the applicant to establish his case beyond a reasonable doubt.

In an action for negligence, as the Minister of National Defence would say, the onus is upon the plaintiff to establish the negligence and then he has to connect the negligence with the injury complained of. But the judge will always instruct the jury that, if there is any evidence from which they may infer a disregard of duty that brought about the injury complained of, the verdict must be for the plaintiff. Should some such principle as that not govern in these cases? If there is any evidence from which it might be reasonably inferred that the condition complained of is referable to the service as a cause, the pension should be awarded. Would that be an unfair proposition? I regret to say that is not the attitude with which the matter has been recently approached.

This House owes a great debt to the hon. member for Vancouver-Burrard (Mr. Clark). I noticed in the earlier remarks this afternoon a tendency to refer to the matter as being somewhat political in its nature, but I know there is no intention on the part of any hon. member to treat it as a political matter. Some might make remarks that might be thus construed, but none of us has a thought of partisanship or party politics in dealing with the matter. When the hon. member for Vancouver-Burrard brought this subject to the attention of the House this afternoon I was a little surprised and hurt that the hon. member for Quebec South (Mr. Power), who is usually generously inclined, should have for a moment alleged unworthy motives against the hon. member for Vancouver-Burrard. That hon. member was not in the least concerned about his private or personal feelings. What he felt was that there had been a hardening of mind, of interpretation by the board, which brought about a condition which he thought should be dealt with by this parliament. Who is here to-night who does not think it was well worthy of being brought to our attention in order that we might focus our minds on the injury done in a deserving case and on the methods necessary to remedy that wrong?

Mr. POWER: Would the hon. member suggest to the minister or the House what remedy there is against this hardening of heart or of mind? These members of the board are appointed for ten years. What can we do? We cannot dismiss them. Why criticize them if we cannot do anything with them?

Mr. BENNETT: The hon. member for Quebec South has not exhibited the usual resourcefulness of his very fertile mind. He knows far better than I that all we have to do is to add to the Pension Act a single paragraph stating that, in determining whether a pension should or should not be granted, the principle that applies in an ordinary action for negligence might well be applied. Something of that sort is all that is necessary. In other words, the members of the board might be instructed by the statute itself that they were to apply those broad and generous rules of interpretation to which the minister so

properly referred this evening, rather than those hard and fast technical rules that make for what you might call regard for high precedent, but work a very great hardship on the soldier.

Mr. POWER: The hon. member would give the board greater discretion than they now have? I would refuse to do that.

Mr. BENNETT: I would respectfully differ from my hon. friend from Quebec South (Mr. Power). I do not usually differ from him. But it is not a question of discretion; it is a question of imposing upon the board by statute a rule of interpretation.

Mr. POWER: Which they may or may not follow.

Mr. BENNETT: Which they must follow or be impeached.

Mr. POWER: If the hon. gentleman will move the impeachment of any member of the board, I will gladly support him.

Mr. BENNETT: I am bound to say, Mr. Speaker, that I have not yet before me any such evidence as would warrant me in concluding that the judgment which my hon. friend has just expressed represents his very mature consideration of the subject.

Mr. POWER: I have thought of it for the last five years, ever since Colonel Thompson has been chairman of the board.

Mr. BENNETT: I am bound to say that I believe Colonel Thompson to be an exceedingly fair-minded man, and I am sure the hon. member for Vancouver-Burrard so believes, as well as my hon. friend from Quebec South.

Mr. POWER: He is fair-minded.

Mr. BENNETT: But if in any statute placed before Colonel Thompson there is a provision that a rule of interpretation is to be followed, I know that he is a good enough citizen and also a good enough lawyer to follow it, and therefore this parliament can easily deal with that matter.

One word with respect to the appeal board. The minister pointed out, very properly, the various stages through which the legislation has passed. We were a new country to war when we went into the conflict; we were unaccustomed to its effects and its disasters, and we placed on the statute books in the first instance a pension law that represented the best views we could obtain from other countries. We have amended and supplemented that law as a result of our own experience, largely through the painstaking and persevering efforts of the gentleman who now presides over the Department of National Defence (Mr. Ralston) when he was chairman of the commission appointed to do that work. We provided for an appeal board. Another house of parliament concluded that the provisions in the draft act were not such as to commend themselves to their judgment. I am bound to say that I was rather inclined to think they were right, for this reason: It is important that there should be uniformity of administration, and if you have four or five boards scattered throughout Canada. each one approaching the problem from a different standpoint and giving out different judgments, depending on the intellectual capacity and general attitude of mind of the members of those boards, you would have chaos; for the man in the east would say: "Look at the generous way in which the board has treated me," while the man on the Pacific slope might say; "Look at the technical way in which they have treated me." It was to overcome that difficulty that when the bill came down from the other House it contained a provision for the appointment of a permanent appeal board to travel throughout Canada and hear these cases, thereby ensuring a measure of uniformity of administration. I do regard uniformity of administration as of the utmost importance in order to satisfy the claims of those who are most concerned. I think the minister will see that there is much warrant for and much merit in that contention.

Mr. RALSTON: That is exactly what was stated in the report, that there was necessity for uniformity. The suggestion of a central board was made in order to see to it that there should be uniformity of decision, so that the pension board itself could in a case in the west, for instance, correct a decision which was not in accord with the principles under which the act was interpreted generally. The advantage of the district boards was that they would see the man at first-hand, decide quickly, and be able to dispose of seventy-five per cent of the cases without reference to the central board.

Mr. BENNETT: The only difficulty being that it set up two forms of machinery, the central board in addition to the pension board, and the district boards in the military districts; in other words, the district board heard the case first and reported to the board of appeal here, and they made a judgment. Now the essence of a court of appeal is that it should be of at least equal knowledge we

will say, and of equal intellectual capacity and power as the court from which the appeals are taken. I am sure the minister will agree that it was intended in the first instance that the appeal board should not be of a permanent character—we all realize that the pension board has come to stay for many years—but was in essence a temporary tribunal created for the purpose of bringing about the determination of the granting or refusing of pension upon evidence which they would take on the ground, as distinguished from evidence that might be presented to the pension board sitting in Ottawa. That is the general principle.

Mr. RALSTON: That was why the provision was made in the recommendation that this board at Ottawa should not reverse a decision of the district board without actually hearing the man.

Mr. BENNETT: Quite so. That, you see, involved again two movements of the board. The district board take the evidence, and then they report here, and a reversal of the board's judgment would necessitate their also seeing the man.

Mr. RALSTON: No, they did not report at all unless the Board of Pension Commissioners appealed the case.

Mr. BENNETT: Quite so.

Mr. RALSTON: It stood unless appealed.

Mr. BENNETT: It involved three sets of machinery—the district board, the Board of Pension Commissioners, and the board of appeal. The other House, for reasons that I have always thought were fairly sound, concluded that if we had a pension board and a board of appeal, which board of appeal was a moving court, something like going out on assizes and actually seeing the men and hearing the cases, that would be far better than the other method. Here is a difficulty and a very practical one. You can see how difficult it is for a pension board, after it feels that it has given mature consideration to a case and arrived at a right conclusion, to change its mind merely because some other tribunal which they think is not so well equipped in any way has arrived at a different conclusion.

Mr. RALSTON: That is what happens in England.

Mr. BENNETT: I know, and my hon. friend from Muskoka-Ontario (Mr. McGibbon) has just made observations with respect to what took place in the appeal board as compared with the pension board. Let me put this case which my hon. friends from Quebec have seen in the press lately. The appeal board decided that A was entitled to a pension. They so reported; the pension board refused to award pension, and that unfortunate soldier has gone to the courts of this country to secure a mandamus to compel the pension board to do what the board of appeal says the soldier is entitled to have done. Now that is all wrong, and it must be undone by some method. I know the Minister of Justice (Mr. Lapointe) was dealing with the case before he went away, and I doubt not that the Solicitor General (Mr. Cannon) is now giving it his attention because it is a public scandal that a tribunal set up for the purpose of rectifying a grievance done to a returned soldier should, after a report has been made entitling him to a pension, refuse him a pension because the board did not have sufficient confidence in the court of appeal to carry out its awards. Of course the action was improperly taken, and it has given rise to a good deal of discussion. All that is wrong, and I am sure the minister will say so.

My hon. friend from Muskoka-Ontario also had in mind a case which he mentioned to me just after he sat down. He endeavoured to secure a pension for a nurse who had been refused a pension by the pension board. The hon. member went to the court of appeal on her behalf, and the appeal board said that the woman was entitled to a pension. Did she get it? She did not. Now I put this to my hon. friend. Will anything but legislation cure that evil? All the broad comprehensive rules of interpretation and the most sympathetic administration will not change the vital fact that to-day the pension board refuses to pay a pension which the appeal board set up by this parliament has said the applicant is entitled to receive. Surely we must undo that this session. Surely we must not wait until next session for it. Surely my hon. friend between now and Monday will devise a short amendment that will cover that, knowing as I do the ability and facility of expression of my hon. friend the Minister of National Defence.

I have spoken much longer than I intended, but I do press on the government, first of all, this consideration: that in providing for pensions on a broad and liberal basis they but express the general attitude of mind of all the Canadian people. Secondly, that under our institutions any measures involving expenditure of public money must originate with the government; therefore when we press these matters on them we do so not as a party, but

rather as individual members of parliament who look to them to give effect to what we conceive to be the will and the wish of the people. Thirdly, that in view of the promises made and the way in which last session ended, it is not too much to suggest that between now and Monday the hon. ministers may be able to prepare such amendments as will relieve the most pressing of the grievances indicated by the soldiers themselves. I say the most pressing. I am not unfair enough to suggest that the two hon. gentlemen could meet all the various conditions in the short time at their disposal; quite the opposite, and I know they have given this matter perhaps much more consideration than any of us. I also know of the pressure of public business and the difficulty of concentrating on many problems to the exclusion of all others that they have to deal with in the public interest. I do not say that many of these recommendations cannot be met by a moderate, well-tempered and sympathetic interpretation of the present statute. I agree with the minister in that, but I do say that one or two, if not three, of the matters to which I have ventured to refer to-night cannot be dealt with in that way.

Mr. RALSTON: Not one of them is dealt with in these proposals.

Mr. BENNETT: I think the minister will agree that the suggestions are certainly such as in practice we have all come up against. I am only speaking out of the fulness of my heart. I only know what I have seen. It reminds me of the story of an unfortunate claimant for a pension. Not getting it at the first attempt, after a long time he tried again, but with no better success, and he was told that his ill health was attributable to pre-war conditions. He was a man who read his Bible much, and his temper still had not been frayed. So he told me he was like the man who in Scripture had been cured of his blindness, and on being asked about how it happened said, "I only know that whereas I was blind now I see." Said this poor unfortunate soldier, "All I can say is this, that whereas before I went to the war I was sound, I now know I am a broken derelict." I thought it was an excellent answer.

These matters to which I have referred, perhaps at greater length than necessary, are matters that cannot be dealt with by any wide interpretation of existing legislation, and I do venture to suggest—not in any party spirit, for I know hon. gentlemen opposite have just as warm a desire as any other hon. members to help the returned soldier—that it is not asking too much to expect that between now and Monday, say during Saturday—when of course ministers have nothing to do but attend council where they can write these recommendations—they may be able to prepare the necessary amendments in order to give effect to the most pressing demands of the moment. With respect to this particular measure dealing with the appeal board, if in practice it has been found desirable I think the House will be the first to say the bill should be passed. As to insurance, if it can be extended it does not seem to me that from an actuarial standpoint the country is running any very great risk. The cost of management has not involved us in any very great monetary risks because there has been a fair regard for actuarial considerations in the preparation of the tables. The losses have not been greater than were anticipated, and the accumulated funds are as substantial as might be hoped for under the circumstances. In view of these considerations I join in suggesting to my hon. friends that in the short interval between now and Monday they prepare such legislation as will give effect to the most pressing of these grievances.

Mr. O. B. PRICE (Westmorland): Mr. Speaker, I wish to call the attention of the Minister of Soldiers' Civil Re-establishment (Mr. King, Kootenay), to two very important telegrams which I have received. I will not detain the House by reading all the telegrams which I have under my hand with regard to the Pension Act. The first telegram is from Moncton and is addressed to myself:

> Amendments to Pension Act urgently required this session in order to assist in relieving distress among sick and disabled. Your kind coöperation will be greatly appreciated.
>
> E. L. MORRIS,
> Secretary Riverglade tuberculous branch Canadian Legion.

I wish to point out that these boys were gassed at the front, and I am sure if the hon. minister would visit the sanatarium at Riverglade he would appreciate their sufferings. I would ask his particular consideration of these cases. The second telegram is also from Moncton and reads:

> Advice received here government do not intend to consider legislation re pensions and insurance for returned men this session as proposed to them by headquarters of the Canadian Legion. Please press all possible for government's reconsideration of this decision.
>
> L. T. TINGLEY, Secretary Treasurer.

In view of what the hon. minister said in reply to the question which I placed on the order paper as to whether legislation would be introduced this session to relieve these men

who are not now covered by existing legislation, I would ask him if it is his intention yet to introduce such legislation, or does he desire to have the government stand before the people declaring that it has refused to give consideration to these really deserving cases, especially in view of the fact that millions of dollars are being spent to-day throughout Canada for purposes not of such import as those which have been brought to the attention of the government during this debate? The hon. minister will no doubt recognize that thousands of people throughout the Dominion are watching to see what the government intends to do. It is up to the government to look after the returned men. They have not been properly looked after in the past. Therefore before this session closes the government should show some consideration for the boys who went to the front and for their relatives and their dependents who are in distressed circumstances.

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment): The discussion to-day has, I think, been advantageous and will serve a useful purpose. It must be evident to those on both sides of the House who have listened to what has been said to-day that certain conclusions can be drawn. In the first place, the principle on which our present pension legislation is based is sound; pensions will be paid on account of disability due to war service. That is the primary principle. From the discussion this afternoon there seems to be a feeling among the members of this House that the pension authorities who administer the act are, if anything, too circumscribed within the scope of the legislation. It is difficult to make that statement and it is one that should not be made without fairly mature consideration. It is true that all of us have been interested in cases such as have been mentioned to-day. Before I became minister, as well as since, I have had brought to my attention cases in which I had personal knowledge and I felt that consideration should be given them. Some of these cases have gone to the pension board and on appeal have been rejected. I do not know whether it would be within my right or the right of any member of this House, because he happened to fail in his presentation of a case, to suggest that the machinery of the pensions board had fallen down or that the act was not being properly administered; for I think it is generally conceded, not only in Canada but universally, that the Canadian pension laws are as liberal as, if not more liberal than those of any of the allied nations except possibly the United States. Three or four years ago a similar feeling prevailed in this House, that the pensions board was not dealing as it should with certain cases. As a result of that impression the appeal board was established and it has served a useful purpose.

There has been brought forward to-day a question, which I might as well consider now as later on, regarding the activities of the board. The appeal board came into being on October 1, 1924. There were entered 10,154 appeals of which 5,122 were disposed of without hearing, there being no jurisdiction. That left a total of 5,032 bona fide appeals, of which 691 have been allowed. There have been disallowed 2,047 while 352 are pending judgment. That makes a total of 3,090 cases considered, leaving still to be heard 1,942. These are the figures submitted to me by the department. The hon. member for West Kootenay (Mr. Esling) made the statement that there were 1,400 appeals in Montreal still to be heard. What are the facts? In Montreal 236 cases have been disposed of, while cases awaiting disposal number 4, plus 269 which are not yet ready, that is to say, in which the soldier adviser has not sufficient ground on which to proceed with the appeal. So that throughout the country, from Halifax to Vancouver, appeals have been heard and adjustments made to the number of 3,090, while there are 1,942 cases still to be considered.

Regarding legislation which might be brought down this year as suggested, a week or ten days ago I thought it would be fair to the soldier organizations as well as to the House to indicate the line of action the government would be able to take with reference to the matters that had been submitted by the Canadian Legion and other soldier organizations throughout Canada. It is true that representations were made by various bodies and comprehensive memoranda prepared and submitted; it is also true that we had the honour of meeting various officers of these associations in consultation. At that meeting I requested the presence of the chairman of the pension board, the deputy minister of the department, the assistant deputy minister, the medical director and other officers so that they might hear what the returned men had to say. We found, as we considered the various amendments, that many of them were intended to relieve individual cases or small groups; and it was pointed out by the officers who are familiar with the law that many of these cases could be dealt with by administrative means without the necessity for legislative action.

With regard to tubercular veterans, whom we have heard discussed, I am sure we are all sympathetic in our attitude to these particular returned men. They not only made representations, as was set out in the memorandum to which reference has been made, but they also suggested to me as minister that if it were not possible for legislation to be introduced at this session I should undertake during the recess to convene a meeting of tubercular specialists to give the veterans an opportunity of stating their case to these experts. Since that interview I have instructed the officials of the department to arrange for a convention of that nature and it will be possible for the tubercular veterans, through their representatives, to appear before the specialists this season and make a full statement of their case. Tuberculosis is one of the diseases which after the war filled our sanataria, but to-day we find these cases dwindling in number. There are some new cases developing, and the difficulty in connection with these, eight or ten years after the war, is to establish their connection with military service.

As I stated a few moments ago, it has generally been considered that our pension legislation is generous. We know at any rate that there has not been that hardening which the hon. member for West Calgary (Mr. Bennett) has referred to, because in the last five years our pension bill has grown from $30,000,000 to $37,000,000, showing that the bill is being extended from year to year. Now the question is whether we should hastily consider amendments to meet certain representations which have been made at this session, or whether we should deliberately sit down and in close conference develop amendments which could be incorporated into our Pension Act next session, when a proper consolidation of that act may be made.

I propose to move two amendments which are basic and primary in their character, which are of great importance to the returned soldiers and which I think will be very acceptable to them. The first amendment extends the period in which an application for pension may be filed from seven to nine years, the seven year period expiring this year. This will give two years more in which to file these applications, and from the representations which have been made to us I am satisfied that this is one of the things the men most desire. On account of the seven year period expiring this year, I thought it desirable that we should deal with it at this session.

[Mr. J. H. King.]

The other amendment has to do with the re-hearing of applications upon the presentation of new evidence, and will be of advantage to a large number of men, although it is difficult to say how many. We know that from day to day representations are being made to us in which it is claimed that the individual, although he has gone to the pension board and the appeal board and failed in both cases, has been able to find new evidence since, but has been prevented from filing another application. Upon new evidence being submitted which in the opinion of a majority of the pension board is sufficient, under this amendment a re-hearing will be granted and an appeal from that re-hearing will be permitted if the decision is adverse to the applicant.

Mr. ROSS (Kingston): May I ask the minister a question just there? Since he has found the seven year limit to be a failure, why make it nine? Why put any limit on it at all?

Mr. KING (Kootenay): I desire to extend that period for two years in order that that situation may be met while we are re-drafting the act next year. The veterans have laid down the principle that a soldier who has a pensionable condition due to war service should have the opportunity to make his representations at any time, which goes much further than anything we have yet considered. There is something to be said for it, however. In order that that situation may be covered for the present, I am suggesting this extension for two years—which has another advantage as well. Those returned men who have failed to file their claim will now have it brought to their attention that they are permitted another two years in which to do so, and they will be more apt to get busy and hand in their claims at once in order that they will have more chance of being considered. The longer these claims run and the older they become, the more difficult it will be for the applicant to prove his case.

I do not think it is necessary for me to continue at greater length. I believe the adoption of the amendments I have suggested and the undertaking of a consolidation of the act next year after thorough consideration and study, when the government will be prepared to bring down further amendments, will meet the situation. The matter to my mind should be then referred to a special committee of this House early in the session, in order that all the details may be properly surveyed and scrutinized from various angles.

It is easy to say, "amend the Pension Act and reinstate the insurance act." This plan of insurance was adopted right at the close of the war in order to take care of a group of men who were not pensionable; they were given an opportunity of taking insurance and I think that continued until 1922. Some $70,000,000 or $80,000,000 of insurance was written, some of which has lapsed, and from that time until quite recently there has not been any great demand to open up this insurance scheme. We must remember that it is ten years since the close of the war; men who were thirty years of age then are forty today, and the insurance risk is not so good as it then was. Although it might be serviceable to some I am satisfied that it would not be fair for the government to bring in an amendment which would open up the insurance act for another period of years, with the little knowledge they now possess.

Mr. PRICE: I would like to ask the minister a question. Why not deal with that matter at this session?

Mr. KING (Kootenay): I think I have concluded the remarks I have to offer, Mr. Speaker. I am satisfied that if these two amendments become law the ex-service men will have been satisfied on two important items.

Motion agreed, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

Section 1 agreed to.

Mr. KING (Kootenay): Mr. Chairman, I beg to move the following amendment:

Subsection (4) of section 11 of chapter 62 of the statutes of 1923 is amended by the addition of the following proviso:

"Provided that if within one year after a decision by the Federal Appeal Board upholding a refusal of pension by the Board of Pension Commissioners for Canada or one year after the passing of this act, whichever is the later, the applicant submits new evidence which, in the opinion of a majority of the Board of Pension Commissioners for Canada, establishes a reasonable doubt as to the correctness of the previous decision, the Board of Pension Commissioners for Canada shall reconsider such case, and if refusal of pension be confirmed, the applicant shall have the right of a second appeal to the Federal Appeal Board and its decision thereon shall be final and shall be binding upon the applicant and upon the Board of Pension Commissioners for Canada."

The CHAIRMAN: This amendment becomes section 2 of the bill.

Amendment agreed to.

Mr. KING (Kootenay): I have another amendment to propose, as follows:

Section 13 of chapter 43 of the statutes of 1919, as amended by chapter 60 of the statutes of 1924 and by chapter 49 of the statutes of 1925 is further amended by repealing paragraph (c) and substituting therefor the following:

(c) within nine years after the date upon which the applicant was retired or discharged from the forces, or—

The CHAIRMAN: This amendment becomes section 3 of the bill.

Amendment agreed to.

Bill reported.

Mr. SPEAKER: When shall the said bill be read a third time?

Some hon. MEMBERS: At the next sitting of the House.

PRIVATE BILLS

FIRST, SECOND AND THIRD READINGS

Mr. SPEAKER: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed the following bills, to which the concurrence of this House is desired:

Bill No. 282, for the relief of Amelia Chester.

Bill No. 283, for the relief of Elsie Adams.

Bill No. 284, for the relief of Frederick George Elliott.

Bill No. 285, for the relief of Sidney Alfred Tyers.

Bill No. 286, for the relief of Margaret Ann Hall.

Bill No. 287, for the relief of Electa Minerva Meades.

Bill No. 288, for the relief of George Allan Swift.

Bill No. 289, for the relief of Kathleen Maud Cotton.

Bill No. 290, for the relief of Gertrude Thompson.

Bill No. 291, for the relief of Jessie Isobel Davidge.

Bill No. 292, for the relief of Zelpha Evyleen Root.

Bill No. 293, for the relief of May Alice Moorhouse.

Bill No. 294, for the relief of Charles Auguste Brosseau.

Bill No. 295, for the relief of Celia Kornblum.

Bill No. 296, for the relief of Alice Elizabeth Fegan.

Bill No. 297, for the relief of Della Bishop.

Bill No. 298, for the relief of Cecilia Lucy Holloway.

Bill No. 299, for the relief of Carl Stanley Ryerse.

Bill No. 300, for the relief of Samuel Clement Askin,

Bill No. 301, for the relief of Pearl Lavinia Rorke.

Mr. GEORGES PARENT (Quebec West): With the unanimous consent of the House, if I can obtain it, I should like to present the eleventh report of the select standing committee on miscellaneous private bills.

Mr. SPEAKER: Before the report is read, by leave of the House, Mr. Johnston (Last Mountain) moves, seconded by Mr. Totzke, that the bills just enumerated be now read a first, second and third time, and that rule 28 be suspended in relation thereto. I may explain to the House that these bills will not go to committee; I am informed they are unopposed.

Mr. GARDINER: Are those all divorce bills?

Mr. SPEAKER: Yes. The resolution is carried by unanimous consent.

Mr. PARENT: Carried on division as far as the divorce bills are concerned.

RAILWAYS, CANALS AND TELEGRAPH LINES

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL BILL

Mr. A. M. YOUNG (Saskatoon): I beg leave to present the tenth report of the select standing committee on railways, canals and telegraph lines, as follows:

Your committee have considered Bill No. 78, an act respecting the Montreal, Ottawa and Georgian Bay Canal Company, and have agreed to report the preamble thereof not proven for the reason that it would be contrary to the public interest to grant the prayer of the petitioners.

Your committee recommend that the fees and charges paid on said Bill No. 78 be refunded, less the cost of printing and translation.

All of which is respectfully submitted.

Mr. YOUNG (Saskatoon) moved:

That in accordance with the recommendation contained in the tenth report of the select standing committee on railways, canals and telegraph lines, the fees and charges paid on Bill No. 78, an act respecting the Montreal, Ottawa and Georgian Bay Canal Company be refunded less the cost of printing and translation.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion? Carried by unanimous consent.

CRIMINAL CODE AMENDMENT

Hon. LUCIEN CANNON (Solicitor General) moved the second reading of Bill No. 239, to amend the Criminal Code.

Motion agreed to and the House went into committee thereon, Mr. Johnston in the chair.

Section 1 agreed to.

[Mr. Speaker.]

On section 2—Section 138 re-enacted.

Mr. GUTHRIE: What is this clause?

Mr. CANNON: This is to re-insert in the Criminal Code section 138, which had been repealed.

Mr. GUTHRIE: The same clause?

Mr. CANNON: Yes.

Section agreed to.

Section 3 agreed to.

Mr. STEWART (Edmonton): I beg to move that the clause which I am about to read be added to the amendments to the Criminal Code submitted by the Solicitor General:

1. Subparagraph (iv) of paragraph (a) of section one thousand one hundred and forty of the Criminal Code, chapter one hundred and forty-six of the revised statutes of Canada, 1906, as enacted by section twenty of chapter twenty-five of the statutes of 1921, is hereby repealed.

2. Any one who commits or has at any time heretofore committed any offence relating to or arising out of the location of land which was paid for on whole or in part by scrip or was granted upon certificates issued to half-breeds in connection with the extinguishment of Indian title, shall, with respect thereto, be liable to prosecution or to an action for penalties or forfeiture in the same manner and to the same extent as if said subparagraph (iv) had never been enacted.

Mr. GUTHRIE: I rise to a point of order. The amendment moved by the Minister of the Interior is really Bill No. 146, to amend the Criminal Code (scrip frauds), which has been standing on the order paper since March 14 as a private bill, in the name of a member of this House.

Mr. DUNNING: It is not a private bill

Mr. GUTHRIE: A public bill moved by a private member. As long as it remains on the order paper, it cannot be taken up by way of amendment or discussed. I raise that point of order.

The CHAIRMAN: Does any hon. gentleman wish to speak to the point of order?

Mr. CANNON: If my hon. friend presses the point, I think it is well taken.

Mr. STEVENS: It is obvious that this amendment cannot be moved. Bill 146 appears on page 12 of the order paper as order No. 31.

The CHAIRMAN: Does the minister who moved the amendment wish to speak to the point of order?

Mr. STEWART (Edmonton): All I have to say is that there is a strong probability that Bill No. 146 will not be reached. A similar bill has at least on two occasions been passed by this House.

Mr. GUTHRIE: There is a point of order.

Mr. STEWART (Edmonton): I am not going to argue the point of order raised by my hon. friend, except to say this: Of course we could have the hon. gentleman drop his bill and then move it as an amendment. I do not want to take that procedure, leaving the amendments to the Criminal Code standing in the meantime. I can scarcely understand my hon. friend's objection to this, inasmuch as parliament on two previous occasions has passed this bill. I admit it has been thrown out by the Senate. I know I cannot press this amendment if my hon. friend insists on his point of order. Of course he must assume the responsibility for blocking this legislation.

Mr. GUTHRIE: I understand that.

The CHAIRMAN: This is rather an intricate point of order, and I think I shall have to ask for a little time to consider it before giving a ruling.

Mr. BENNETT: The Solicitor General has stated that the point of order is well taken. It is the same point of order as was taken last year on the question of natural resources.

The CHAIRMAN: In Beauchesne's Parliamentary Rules and Forms, section 423, under rule 42, states:

> A motion must not anticipate a matter already appointed for consideration by the House, such as the subject matter of a bill on the order paper.

In accordance with that rule, I would rule that the amendment moved by the Minister of the Interior is out of order.

Mr. STEWART (Edmonton): If my hon. friends insist on their point of order, I quite realize that my amendment is out of order. This is a very important matter to some of my constituents, and I had hoped that the point of order would not be raised, particularly in view of the fact that in all probability Bill 146 will not reach a stage where the consideration of this House can be given to it.

Bill reported, read the third time and passed.

IMMIGRATION ACT AMENDMENT

Hon. CHARLES STEWART (for the Minister of Immigration and Colonization) moved the second reading of Bill No. 269, to amend the Immigration Act.

Hon. R. B. BENNETT (West Calgary): Mr. Speaker, in my judgment this bill should not be proceeded with. It is a single clause bill, but it is one of great importance. Section 1 states:

> Section 41 of the Immigration Act, chapter 27 of the statutes of 1910, as enacted by chapter 26 of the statutes of 1919, is repealed.

It deals with the power of deportation. It is said that the section will never be put in operation, and therefore it should be repealed. But it is always desirable to have upon the statute books legislation to which an appeal may be made in the event of necessity arising, and the non-use of legislation is sometimes the best reason why it should remain. Not long since in England they had recourse to legislation that was more than one hundred years old, and this statute providing for summary deportation without trial at a time of great stress and strain will not be used except where the conditions obtain to which it has reference. These conditions, let us hope, will very rarely arise in this country, but when they do arise no harm can be done in having here the machinery upon which we can rely and which we may use. Unless some good reason is given why this section should be repealed, it should remain; the fact that it is drastic legislation is not a good reason for its repeal. Legislation which it is said takes away the right of a man to trial by jury and matters of that kind is legislation that sometimes has to be used in all countries for the preservation of law and order, and that is far more important than the possible chance of its application to individuals perhaps once in a hundred years. What harm is being done by having the legislation there? There may arise a condition when it would be profoundly useful to this country. If when that condition arises the legislation is not there, we have no power to deal with the situation. Until it is shown to the House that the legislation will work an injustice in the ordinary course of events it should remain on the statute books. I submit that no reason has been given why it should be dropped at this time, and therefore, and in view of the fact that it is midnight, I move the adjournment of the debate.

Mr. STEWART (Edmonton): My hon. friend knows that on two former occasions this very amendment has been passed by parliament.

Mr. GUTHRIE: There is a motion before the House to adjourn the debate. Does the minister not think it is late enough?

Mr. STEWART (Edmonton): I am perfectly willing.

Motion agreed to and debate adjourned.

On motion of Mr. Stewart (Edmonton) the House adjourned at 11.55 p.m.

Friday, April 8, 1927

The House met at eleven o'clock.

REPORT

Fourth report of the select standing committee on agriculture and colonization.—Mr. Kay.

COMMITTEE ON RAILWAYS AND SHIPPING

Mr. W. T. GOODISON (West Lambton): presented the third and final report of the select standing committee on railways and shipping as follows:

The select standing committee on railways and shipping owned, operated and controlled by the government, beg leave to present the following as their third and final report.

Your committee to which was referred for consideration and for report to the House the estimates of the Canadian National Railways and the Canadian Government Merchant Marine, Limited, held five meetings, in the course of which it examined sundry witnesses, including;

Sir Henry Thornton, K.B.E., President and Chairman of the Boards, Canadian National Railways.

S. J. Hungerford, Vice President, Operation and Construction Departments, C.N.R.

W. D. Robb, Vice President, Departments of Land, Colonization, Development, Insurance and General Matters, C.N.R.

R. A. C. Henry, Director, Bureau of Economics, C.N.R.

T. H. Cooper, General Auditor, C.N.R.

R. B. Teakle, General Manager, Canadian Government Merchant Marine, Limited.

J. P. Doherty, Traffic Manager, Canadian Government Merchant Marine, Limited.

F. Davidson, Auditor, Canadian Government Merchant Marine, Limited.

Canadian National Railways

Your committee has had under consideration item 408 of the estimates, which provides for loans or guarantees of $22,500,000 of the Canadian National Railway Company for the fiscal year ending March 31st, 1928, and has in the course of its deliberations, examined the operating statements of the company for the year ending December 31st, 1926.

[Mr. C. A. Stewart.]

Your committee notes that the results of the operations of the Canadian National Railway System, which includes for the first time the operations of the Central Vermont Railway, show a substantial improvement in the volume of business handled and a continued improvement in operating methods, resulting in an increase of $21,861,000 in operating revenue accompanied by an increase of only $7,079,000 in operating expenses.

While not providing for interest charges due the government on capital advances your committee notes with considerable satisfaction that for the first time, the net earnings of the railway for the year are more than sufficient to pay all fixed charges due to the public.

Your committee is lead to believe that the properties embraced in the system have been maintained to a standard commensurate with the traffic requirements.

Your committee agrees that the estimate of $22,500,000 (being a reduction of $8,500,000 from the amount asked for last year) is necessary for the purpose of the company during the coming year, and should be voted by the House.

Canadian Government Merchant Marine

Your committee has also had under consideration item 409 of the estimates, which provides for a loan of $18,500 to the Canadian Government Merchant Marine, Limited, and has in the course of its deliberations examined the operating statements of the company for the year ending December 31st, 1926. Your committee notes with considerable satisfaction that the operating deficit has been reduced to $90,159, an improvement over the previous year of $858,893, and it is recalled that the improvement in 1925 in comparison with 1924 was $492,826.

From the evidence given, it appears that there has been an improvement in the earnings on the business handled in the case of practically all the routes operated and that this improvement has been accomplished at a relatively small expense. The increase in operating revenue was $1,114,735, while the operating expenses only increased $256,841.

Your committee draws attention to the fact that the amount of the appropriation for last year on account of the Canadian Government Merchant Marine, Limited, was $600,000, whereas for the coming year, the sum of $18,500 is asked. Your committee is of the opinion that this amount is necessary for the purposes of the company during the coming year and should be voted by the House.

Your committee notes with satisfaction that the Canadian National Railways continues to hold the confidence and goodwill of the public through the excellence of the service rendered and the courtesy extended to patrons.

Your committee further desires to express its appreciation of the manner in which the President of the Canadian National Railways and the officers assisting him gave their evidence to the committee.

A copy is attached hereto of the minutes of the proceedings and evidence of the attending officers.

Your committee further recommends that its proceedings and the evidence adduced before the committee be printed as an appendix to the Journals of the House and that rule 74 in respect hereto be suspended.

All of which is respectfully submitted.

Mr. Goodison moved that the report be concurred in.

Motion agreed to.

NATURAL RESOURCES—WESTERN PROVINCES

Hon. J. W. EDWARDS (Frontenac-Addington): Mr. Speaker, I desire to present further petitions asking for the transfer to the prairie provinces of their natural resources, without restricting their right to complete control of their educational and other local affairs.

PRIVATE BILLS

THIRD READINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I beg to move that bills Nos. 240 to 252 inclusive, and bills Nos. 262 to 268 inclusive, being unopposed divorce bills which have been reported by the standing committee on miscellaneous private bills, be now read a third time, and that rule 28 be suspended in relation thereto.

Hon. HUGH GUTHRIE (Leader of the Opposition): Are these all divorce bills?

Mr. MACKENZIE KING: Yes.

Mr. L. J. LADNER (Vancouver South): Do I understand that none but divorce bills are in that list?

Mr. SPEAKER: Unopposed divorce bills.

Motion agreed to on division, and bills read a third time.

Mr. MACKENZIE KING: I have been given a list of private bills which are also I understand, unopposed, and about which the whips of the three parties have conferred. I am prepared to make a motion that these unopposed private bills be now considered if it is agreeable to the House, but if there is any objection I will not present the motion.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): What are the bills and what are they about?

Mr. MACKENZIE KING: I will read the numbers: 254, 144, 177, 116, 154, 175, 214, 237, 238, 261, 253.

Mr. WOODSWORTH: I think we can hardly be asked to pass these bills in this way. Some of us have not been consulted in regard to the matter.

Hon. LUCIEN CANNON (Solicitor General): If my hon. friend will allow me I will give the titles of the bills in a moment.

Mr. GEORGES PARENT (Quebec West): Bill No. 177 will likely be opposed.

Mr. LADNER: It is difficult to know just which bills might be subject to contention and which might not. There are other bills of importance on the list, and for my part I must oppose this motion.

Mr. MACKENZIE KING: Under the circumstances I will not present the motion.

THREE RIVERS HARBOUR COMMISSIONERS' ACT AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved for leave to introduce Bill No. 302, to amend the Three Rivers Harbour Commissioners' Act, 1923.

Hon. HUGH GUTHRIE (Leader of the Opposition): Explain.

Mr. CARDIN: This bill is not contentious; it is only designed to change the limits of the harbour of Three Rivers.

Motion agreed to and bill read the first time.

CHICOUTIMI HARBOUR COMMISSIONERS' ACT AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved for leave to introduce Bill No. 303, to amend the Chicoutimi Harbour Commissioners' Act, 1926.

He said: The object of this bill is also to change the limits of the harbour of Chicoutimi.

Motion agreed and bill read the first time.

CANADA SHIPPING ACT AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved for leave to introduce Bill No. 304, to amend the Canada Shipping Act.

He said: The object of this bill is to enable the owners of ships to stop the practice, which has become prevalent in the short haul passenger business, of objectionable touts and runners for lodging houses and so on soliciting business for their houses, some of which are of questionable character, while the ship is

en route. We want to have the law amended so that no one can go on a ship and advertise or solicit business for any hotel or boarding house without having a permit from the company operating the boat.

Motion agreed to and bill read the first time.

BUSINESS OF THE HOUSE

SATURDAY SITTINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That on Saturday, April 9th instant, and every Saturday thereafter until the end of the session, the House shall sit from 11 o'clock in the morning until 6 o'clock in the afternoon, and that there shall be an intermission from one to three o'clock, and the order of business and procedure shall be the same as on Fridays.

He said: I may explain that there has been a conference between the whips of the parties and this resolution, I understand, is agreed to.

Motion agreed to.

CIVIL SERVICE SALARIES

On the Orders of the Day:

Mr. ARTHUR DENIS (St. Denis) (Translation): Mr. Speaker, I have just received the following letter from the Association of postal employees of Montreal:

Montreal, April 7, 1927.

Dr. J. A. Denis, M.P.,
Member for St. Denis, Room 489,
Parliament Buildings, Ottawa, Ont.

My Dear Doctor:

The postal employees of Montreal who, for a long time, were under the impression that they would receive $120 as an increase in salary, dating from April 1st last, were naturally somewhat disappointed, although acknowledging a deep feeling of gratitude towards the government of this country for the generous measure which they have just carried out, and they would be very grateful, Sir, if you would draw the immediate attention of the House to this matter in order to ascertain whether the present revision of salaries is final or whether we may get the assurance that a readjustment of salaries, for certain classes of postal employees, will be carried out in the near future.

Trusting, Dear Mr. Denis, that you will be kind enough to look after our interests as usual,

We remain,

Yours respectfully,

MOUSSEAU DRAPEAU,
President.
ROSAIRO BERGERON,
Secretary.

Will the hon. Secretary of State have the kindness to inform the House as to what are the government's intentions on the subject?

Hon. FERNAND RINFRET (Secretary of State) (Translation): Mr. Speaker, in answer to the hon. member for St. Denis, I wish to state that representations have been made to the government in the nature of this letter.

It is the intention of the government to grant an increase to all civil servants, however we must equally take under consideration the amounts which have already been granted to certain classes since 1924 as I have already explained to the House.

At all events, this question is receiving our earnest consideration and may be discussed more fully when the supplementary estimates covering this increase is submitted to the House.

SITUATION IN CHINA

ATTITUDE OF CANADIAN GOVERNMENT TOWARDS BRITISH POLICY

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): I desire to ask the Prime Minister if the Canadian government has been consulted about the recently announced policy of Great Britain in China, and further, does the Canadian government endorse the policy of the present British administration?

Right Hon. W. L. MACKENZIE KING (Prime Minister): With respect to the situation in China and the communications that have passed between the Canadian government and the British government on the subject, I would say that this government has been kept informed by the British government of the progress of events. The information which we have received has been very much that which has appeared in the public press. We have not been asked for our advice, and we have not tendered any.

CIVIL SERVICE SALARIES

OBJECTIONS TO PROPOSED EXCEPTIONS TO APPLICATION OF INCREASE

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): I desire to bring to the attention of the government two telegrams which have been placed in my hands, the subject matter of which is of sufficient importance to justify taking that course at the present stage of the proceedings of the House. One telegram is signed by the secretary of the Amalgamated Civil Servants of Canada, Vancouver Local Council. It is addressed to me and reads as follows:

Six hundred civil servants at mass meeting here passed following resolution without one dissenting vote:

"That we most strongly protest the offer of from forty-two to sixty dollars per annum in-

crease in most cases publicly advertised as hundred and twenty dollars flat rate increase for all civil servants after waiting patiently for five years for some measure of justice. We emphatically condemn the assumption that we received an increase in pay in nineteen hundred and twenty-four and protest against using such imaginary increase in order to deprive us of the full benefit of the recent revision. We reiterate our request for a flat increase of three hundred dollars per annum for all with a minimum of hundred dollars for all full time adult occupations and respectfully solicit your support on the floor of the House of Commons so that salaries in the Canadian civil service may be raised to the level of respectability. This for your Vancouver colleagues also."

I also have a wire from the railway mail clerks in which they declare that in some cases the change has actually resulted in a decrease. The point I wish to bring to the attention of the government is this: It was officially announced by the government, I think through the lips of the Secretary of State, that a flat increase of $120 a year was given to all civil servants. In the working out of the salary revision it appears that in some cases there has been a decrease; in other cases the increase is only from $42 to $60 a year and not $120. I would ask from the government that some statement should be made explaining the apparent discrepancy between the first announcement that there was a flat increase of $120 and what appears to be the actual result.

Hon. FERNAND RINFRET (Secretary of State): This subject is becoming a matter of daily interrogation. I have stated many times, and it seemed to have been agreed upon by hon. gentlemen opposite, that the whole question might be explained when we reached the supplementary estimates dealing with this matter. I desire to state now that the announcement made to the House was very plain. It was to the effect that we were giving a flat increase to the whole service, but the statement was immediately qualified by reservations as to some classes who have received increases since 1924.

Mr. STEVENS: Which they deny.

Mr. RINFRET: Well, the whole point seems to rest on the fact that those civil servants who had received increases previously do not consider those increases any more, but are thinking of the amount it is possible to receive under the present revision. I am willing to give consideration to all these representations, to my department since my declaration, which have been very numerous, but it would be better, I think, if we were to discuss the whole matter when we come to consider the supplementary estimates.

Mr. A. E. ROSS (Kingston City): I have a question along the same line. I was going to ask the Secretary of State if he had received messages protesting against the character of the increase.

Mr. RINFRET: I believe every hon. member of the House has received such telegrams. It would be better, I think, if they were read in proper sequence.

Mr. H. E. LAVIGUEUR (Quebec-Montmorency) (Translation): Mr. Speaker, I received this morning a telegram from Branch No. 5 of the Federated Association of Letter Carriers of Quebec, in which they complain of the same discrimination as mentioned just now by the hon. member for St. Denis (Mr. Denis). The telegram reads as follows:

H. E. LAVIGUEUR,
Ottawa, Ont.

At a mass meeting of members of Branch No. 5 Quebec of the Federated Association of Letter Carriers it was unanimously resolved to protest energetically against the miserable increase of seventy eight cents per week in salary for the letter carriers we sincerely hope that this matter will be reconsidered.

JOS. M. CÔTÉ,
President Branch No. 5
the F.A.L.C., Quebec.

I understand that the hon. Secretary of State (Mr. Rinfret) stated that another increase will be granted to these employees, over and above the 78 cents per week increase, and that this question is under consideration. In view of these facts I think that the employees of the Post Office Department at Quebec will be satisfied with the hon. minister's answer.

Mr. G. R. GEARY (South Toronto): Mr. Speaker, would the hon. Postmaster General state if he is ready to deal with the question I put to him yesterday, which he said he would read when Hansard came before him and prepare an answer for to-day.

Hon. P. J. VENIOT (Postmaster General): That answer is being prepared on the basis of the memorandum that I have tabled. I will have it ready this afternoon or to-morrow.

IMPERIAL CONFERENCE DEBATE

DENIAL OF NEWSPAPER STATEMENT IMPLYING ACCEPTANCE OF REPORT

On the Orders of the Day.

Mr. E. J. GARLAND (Bow River): I desire to draw the attention of the Prime Minister to a report with respect to the debate on the Imperial conference which appeared

in the Manitoba Free Press of Wednesday, April 6th. In that report the following declaration occurs:

Imperial conference policy is endorsed by a majority of 44.

As that statement is so far from the fact, I thought it advisable to call it to the attention of the Prime Minister in order that he may have an opportunity of denying it.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I think what my hon. friend has reference to is a newspaper heading. I am sure he will recognize that it is impossible for the government to control the press in the matter of the headings which it gives to its despatches. However, with reference to what the heading purports to assert, I would say to my hon. friend that I think the House understands that the motion the other day was a motion to go into supply, and the support given to it defeated the amendment which was moved by my hon. friend the leader of the opposition (Mr. Guthrie). The amendment had reference to Imperial conference matters, but its defeat did not in any way imply the approval by this House of the report.

EMPLOYMENT OF DISABLED VETERANS

On the Orders of the Day:

Hon. P. J. VENIOT (Postmaster General): Mr. Speaker, yesterday I promised to give to the House a statement with respect to the employment of amputation cases in city post offices. The following is a memorandum of the conference held on Thursday, to which I then made reference:

Employment of Amputation Cases in City Post Offices

The above matter was discussed with representatives of the Civil Service Commission and a representative of the Great War Veterans' Association. The following were present:

P. T. Coolican, General Superintendent of Postal Service; E. J. Underwood, Chief Superintendent of Post Office Service; C. H. Bland, Assistant Secretary, Civil Service Commission; Mr. Bouchard, Examination Branch, Civil Service Commission; Mr. Herwig, Great War Veterans' Association.

The department's views were expressed as follows:

The department has no objection to the employment of amputation cases in those positions where their physical handicap does not prevent their giving the department satisfactory service.

The department at the present time has so many employees who are not 100 per cent physically fit in the operating branches of the service, including a large number of men of advanced years who have entered under the returned soldiers' preference, that to further load down these staffs with amputation cases would simply mean that the department could not give an efficient service.

It was pointed out at the interview that the department had no objection to the employment of amputation cases in such positions as mechanical operators in the Money Order branch, telephone operators, stenographers and other similar clerical positions.

It was further stated that the department would assist in every way possible in obtaining properly qualified amputation cases for such positions. This attitude was satisfactory to both the commission and Mr. Herwig of the Great War Veterans' Association and it was agreed that the department would, as far as possible, when suitable vacancies occurred, to which amputation cases could be assigned, to specially draw such cases to the attention of the Civil Service Commission when asking for vacancies to be filled.

I beg to lay the memorandum on the table.

DEPARTMENT OF NATIONAL REVENUE

Hon. W. D. EULER (Minister of Customs and Excise) moved the second reading of Bill No. 281 to amend an act of the present session intituled: "An act respecting the Department of National Revenue."

Motion agreed to, bill read the second time, considered in committee, reported, read the third time and passed.

IMMIGRATION ACT AMENDMENT

REPEAL OF PROVISION FOR DEPORTATION OF CERTAIN CLASSES

The House resumed from Thursday, April 7, the adjourned debate on the motion of the Minister of Immigration and Colonization (Mr. Forke) for the second reading of Bill No. 269 to amend the Immigration Act.

Hon. R. B. BENNETT (West Calgary): Mr. Speaker, when I adjourned the debate last evening I was endeavouring to point out that no harm can be done by permitting this statute to remain as part of the law of this country.

Mr. SPEAKER: Order. I cannot hear the hon. gentleman.

Mr. BENNETT: Let us look at the statute and see if there is any reason why it should be repealed.

Mr. WOODSWORTH: Louder, please.

Mr. BENNETT: I am asking the simple question as to what reason there is for repealing this provision of the law. This is the section that is to be repealed:

41. Every person who by word or Act in Canada seeks to overthrow by force or violence the Government of or constituted law and authority in the United Kingdom of Great Britain and Ireland or Canada, or any of the provinces

of Canada, or the government of any other of His Majesty's Dominions, colonies, possessions or dependencies, or advocates the assassination of any official of any of the said governments or of any foreign government, or who in Canada defends or suggests the unlawful destruction of property or by word or act creates or attempts to create any riot or public disorder in Canada, or who without lawful authority assumes any powers of government in Canada or in any part thereof, or who by common repute belongs to or is suspected of belonging to any secret society or organization which extorts money from or in any way attempts to control any resident of Canada, by force or by threat of bodily harm, or by blackmail, or who is a member of or affiliated with any organization entertaining or teaching disbelief in or opposition to organized government shall, for the purposes of this Act, be deemed to belong to the prohibited or undersirable classes, and shall be liable to deportation in the manner provided by this Act, and it shall be the duty of any officer becoming cognizant thereof and of the clerk, secretary or other official of any municipality in Canada wherein any such person may be, forthwith to send a written complaint to the Minister, giving full particulars: Provided, that this section shall not apply to any person who is a British subject, either by reason of birth in Canada, or by reason of naturalization in Canada.

Then follows a subsection as to what is prima facie evidence. I do say, Sir, that the maintaining of that section upon our statute books was never more necessary than it is to-day. Having regard to what is going on to-day in China, having regard to the deliberate concerted effort that is being made to destroy the British Empire, openly vaunted by a certain class of people in the world who are teaching sedition in the worst form and endeavouring in every way possible to bring about the destruction of the empire, this statute should remain just where it is in order that if the occasion necessitates we may use it, and use it effectively.

What does the section say? It merely provides that a certain class of people who are not British subjects—it does not touch British subjects at all, British either by birth or naturalization—when they come to this country and are guilty of those offences may be deported as undesirable citizens of this country. Is there anything wrong about that? Wherein does the injury lie to any person? It merely provides for the deportation of these aliens who are found guilty of carrying on an agitation such as is being carried on in various parts of the British Empire, in India, and partly in our own country, because anybody who has seen the reports of the Royal Northwest Mounted Police knows that in Canada, and more particularly in months gone by, a deliberate propaganda has been carried on by a certain class along the very lines of that section. If we repeal the section, we have no longer power to deport these people. All that this section does, despite all that has been said about it, is to enable the immigration authorities to deport from Canada any class of persons who come within the provision of the section.

Now I ask those who support this repeal, and there are two in this House in particular —I know they do not favour retaining in Canada people who carry on a deliberate agitation against the government of Great Britain and against the government of this country, people who desire to set up a Soviet form of government—I ask them why should these people who are not British subjects at all be permitted to carry on an agitation of that kind in this country. It is true that last year the Prime Minister gave the hon. member for Winnipeg North Centre (Mr. Woodsworth) a letter in which he said he would repeal this section. He said in that letter:

> With respect to amendments to (a) the Immigration Act, (b) the Naturalization Act, and (c) the Criminal Code, which were referred to at the time of our interview, I would say that having since taken up the proposed amendments with the ministers concerned, I feel I am in a position to assure you that legislation on these matters will also be introduced in the course of the present session.

And that was done, and therefore the government has discharged its obligation so far as the hon. gentleman is concerned, and the government is released from any obligation to further introduce legislation of this character. I know that there are members on the other side of the House who take exactly the same view as I do, and who feel quite as strongly as I do about it. The principle I laid down last evening, Mr. Speaker, is a principle which I think can be fairly adopted by this House. Whenever legislation is upon the statute book that in time of extreme peril may prove useful, there is no reason why in time of calm and peace it should be repealed. That is the principle. No one is being injured by this statute being retained on the statute book; no one is being hurt by it, but it does enable us, if the propagandist comes from Russia and carries on his nefarious operations, say, on the Pacific slope in secret against our institutions and against our government, against the throne of Great Britain, and endeavours to set up in this country another form of government, to send him back to the country he came from—but not if he is a British subject. This does not apply to British subjects, but only to those who are not British subjects. Since when was

it the policy of the people and government of Canada to place a premium on alien agitators being permitted to rave against the crown of Britain, against the crown of Canada, and against the government in Canada? Since when did we desire to place our imprimatur upon favouring agitators of that character? All we are doing outside of the Criminal Code now is simply to say that we are not going to the trouble of having a long trial and all the accompanying agitation in the public press, magnifying these men into heroes. No, we are merely going to send them back to the country they came from; that is all.

Take the United States of America. They talk of liberty and freedom, and practise it, they say, more than any other people in the world. Would they permit the repeal of a section such as that? Look at the deportations from that country now. Look at the Canadians they have sent back. Look at England refusing to visé passports for certain persons wanting to enter the United States. Look at the action of the United States with respect to undesirables at Ellis Island and at other points.

Why repeal this section now when the effect of it is simply to enable us at a moment of great peril, when we are sure of our facts, to send these undesirable persons back to the country they came from? I do submit, Mr. Speaker, that this is not the time to repeal it. I can see no reason why the government having discharged its duty, as I understand it, to the hon. gentleman, having promised to do something and having done it, should any longer press this legislation in 1927 upon the attention of this House in the closing days of the session, for I know hon. gentlemen opposite are quite as desirous as I am of maintaining law and order in Canada, and are quite as desirous as I am of maintaining our institutions and our form of government, quite as desirous as anyone on this side of the House that there should be orderly and regulated conduct of the business of this country. Then why remove from the Immigration Act this provision.

My friend from Winnipeg, I suppose, would say that the Criminal Code gives us ample opportunity to deal with these men, but that is the very thing we do not want to use. The United States has found that out by experience, and she simply deports them, instead of exalting these people into heroes, with all the talk about freedom of speech and deporting people without giving them the opportunity of a trial by a jury of their countrymen. That is not the principle of the law at all. Deportation is not punishment. The criminal law is in operation for the punishment of the offender, and for deterring others; it is to punish those who violate our laws. But deportation is to send out of our country undesirable citizens, and when this House votes to repeal a section such as that, indirectly it says that it is satisfied that that class of person is not an undesirable person. To retain the section cannot do harm: it may do good. It cannot interfere with liberty, because it does not deal with British subjects, and since when did an alien have any right to protection in this country other than to be protected in his life and property, and be sent out of the country if he proved undesirable? How many people are sent out of the United States as undersirable? How many are sent out of Russia and other countries? Why should Canada repeal this section which enables us to deal with these people? That is a question I leave with the minister, and I cannot think for a single moment that he is serious in asking us to repeal a section such as this which gives us this protection—a protection that can be put into operation without recourse to the courts of law, with all the costs that go with criminal trials, and all the effort that is made to magnify into heroes these people who would destroy our institutions, and all the talk about the poor stranger and the foreigner within our gates. It is not that. This is merely the exercise of the high right of sovereignty with respect to the citizenship of Canada. It is merely saying that we as a people will keep without our borders undesirable persons who are promulgating these doctrines; that is all, and I do submit that the bill should not pass.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): The hon. member for West Calgary (Mr. Bennett) has seen fit to make an appeal to me in this matter, although I cannot quite see why he should do so, seeing that this is a government bill.

Mr. BENNETT: Because the letter was addressed to you.

Mr. WOODSWORTH: Yes, a letter was addressed to me last year with regard to this matter, but I would point out to the hon. member that legislation of this character was introduced by the government in preceding years. I have no doubt whatever that the government itself has received from every section of this country, protests against this legislation which was placed on the statute books in 1919. The hon. member for West Calgary has held up the United States as a model for us in this regard. Some of us

would prefer to take Great Britain rather than the United States as a model. In England they have maintained a very considerable degree of freedom of speech, and the liberty of the subject has been a good deal more carefully guarded than in the United States. In fact, usually it has been our boast that justice is better served in England than in the United States. I do not quite see why the hon. member should hold up the United States as our model in this regard.

Mr. STEWART (Leeds): Does this bill apply to British subjects?

Mr. WOODSWORTH: Yes, and I am coming to that. I had not thought, after the debates of the three or four years past, that it would be necessary for us to say very much in regard to this measure, but I would point out to my hon. friend from West Calgary that, with regard to the legal aspects of this question, we could not do better than read the presentation which Senator Dandurand made last year in the Senate. I think that nowhere can a more carefully worded legal case be found than that which was presented last year. I desire to point out a few particulars incorporated into the bill with their bearings upon the right of freedom in this country. Here is one phrase that is used in the bill:

Anyone who assumes any powers of government in Canada—

That is a very broad phrase and has been interpreted in a very broad fashion. If, for example, a company should maintain its own police force it is thereby assuming what is in reality a governmental function. Of course as a matter of fact nobody would prosecute a huge corporation, even though its officials had assumed governmental functions. In the case however of an industrial dispute, when certain labour people attempt to exercise discipline over their membership, it may be interpreted as the assumption of powers of government. Another phrase in the act reads:

Anyone who by common repute belongs to, or is suspected of belonging to—

I submit that is going altogether too far, even with the word "criminal". There are many people who, by common repute, are desperate characters. I see the hon. member for Labelle smiling. I am quite sure that in certain sections of the country, by common repute, he is far from being a worthy citizen of Canada.

Mr. STEVENS: He is a British subject.

Mr. WOODSWORTH: I will come to that later. That clause as drawn reads:

Any man who by common repute belongs to, or is suspected of belonging to, any secret organization.

When did suspicion on the part of the general public become a ground for condemnation?

An hon. MEMBER: A subject for deportation.

Mr. WOODSWORTH: I will come to that later. When did suspicion become a ground for condemnation? Then further than that, such allegations or suspicions with regard to any citizen mean that he may be classed among the prohibited or undesirable class.

I have a good deal of sympathy with hon. members of this House who have given no particular attention to the act. It is very complicated and perhaps skilfully drawn. I am not quite sure—to give credit to those who are responsible for the drawing of the act—that those who drew the act quite recognized how far-reaching it was. In another part of the act there is a clause which says that anyone who belongs to the prohibited classes cannot establish domicile in Canada. That means that it makes no difference whether a man has been here, one, five or twenty-five years; so long as he belongs to the prohibited class, it is impossible for him to establish what is technically known as domicile in Canada.

Mr. SMOKE: Prima facie.

Mr. WOODSWORTH: He cannot establish domicile in Canada. That is the serious part. He may be deported. Even although he has been a resident of Canada for a great number of years, he becomes liable to deportation. In the second section we read:

2. Proof that any person belonged to or was within the description of any of the prohibited or undesirable classes within the meaning of this section at any time since the fourth day of May, one thousand nine hundred and ten, shall, for all the purposes of this act be deemed to establish prima facie that he still belongs to such prohibited or undesirable class or classes.

If in the past a man had belonged to an undesirable organization or secret society, or any other prohibited class, he may have migrated to this country and completely changed his whole manner of life, but if he is accused by anyone or even suspected of belonging to these classes, the very fact that he once belonged to such a class is considered prima facie evidence. I do not think that is a fair provision. The onus of proof ought

not to be upon the accused man. The burden of proof ought to rest with the authorities or those who accuse him.

I come now to the important part which has been stressed by the hon. member for West Calgary. I believe he has made the objection because he has not carefully read the act. He claims that a British subject is not liable under this clause. I affirm—and again I would refer him to the presentation of Senator Dandurand—that a man born in England, a British subject is liable under this act.

Mr. BOURASSA: Born anywhere outside of Canada?

Mr. WOODSWORTH: Yes. The fact is however that this applies particularly to the British subject. A foreign-born man may become naturalized in this country.

Mr. STEVENS: I am certainly interested in the point. Will my hon. friend, when he makes that assertion, demonstrate how he harmonizes the statement with these two matters:

Provided, that this section shall not apply to any person who is a British subject, either by reason of birth in Canada, or by reason of naturalization in Canada.

Mr. WOODSWORTH: The very question of the hon. member for Vancouver Centre I think reveals the fact that a great many of the hon. members of this House have been quite in the dark with regard to the meaning of the act, and perhaps that has led them to mistrust the motives of some of us who have tried to have the act repealed. The hon. member for West Calgary referred to the words in the section:

Provided, that this section shall not apply to any person who is a British subject, either by reason of birth in Canada or by reason of naturalization in Canada.

That refers to either one of two groups. The first is:

By reason of birth in Canada.

That exempts native-born Canadians.

—or by reason of naturalization in Canada.

That exempts foreign-born Canadians. Foreigners may be naturalized in Canada. They are frequently naturalized in Canada, and in such case they come under the exemption in this clause.

It is quite true that in their case naturalization certificates may be cancelled. The provision is contained in another law that dovetails into this. But in the case of British born citizens it is not necessary for them to become naturalized. I have never yet come across a British born citizen who has been naturalized in Canada, nor do I see why it should be necessary for such naturalization to take place. Indeed, I do not know that a British born citizen can be naturalized in Canada. Be that as it may, the point that I want to emphasize is that the British born Canadian is not naturalized in this country and, not being naturalized in Canada, he does not come under the exemption provided in this act.

Mr. STEVENS: I appreciate the explanation. I see the point my hon. friend is making, and I have a suggestion to make presently.

Mr. WOODSWORTH: I may suggest that my hon. friend himself would come under this act.

Mr. STEVENS: That is right—if I committed all the offences enumerated in it.

Mr. WOODSWORTH: Or if the hon. gentleman should be suspected or by common repute be regarded as having committed any of the offences named.

Mr. STEVENS: I leave that to my hon. friend.

Mr. WOODSWORTH: This is a very serious situation. My colleague from East Calgary (Mr. Adshead), born in Manchester, comes under this act, as does also my other colleague born in Leeds.

Mr. STEVENS: They do not come under the act unless they commit these offences.

Mr. WOODSWORTH: No, but the point is that they are not exempted. The hon. member for West Calgary (Mr. Bennett) observed that British citizens did not come under the act, but he is misinformed on that point; the act does apply to British citizens. That is the question at issue. Why, the Minister of Immigration, Mr. Forke, who comes from Scotland, himself comes under this section and is liable to deportation without trial by his own department. Surely a reductio ad absurdum!

Mr. BENNETT: Has he been guilty of any of these offences?

Mr. WOODSWORTH: He need not commit any of the offences enumerated to come under the act; he need only be suspected of having committed any of them. Or, if by common repute he belongs to any organization of the kind defined in the act he comes under the section I am discussing. The hon. member for West Calgary made an impassioned speech to the House and was emphatic on

the point that the law did not apply to people of British birth. I say that it does apply to them and so his argument falls by the way. I go further and say that the Minister of Labour (Mr. Heenan), who I understand was born in Ireland, is also subject to deportation under the act. I do not wonder that he wants to have this law abolished, because seeing that he came from Ireland he may be suspected at any time belonging to one of the groups mentioned.

Mr. McGIBBON: If any of these gentlemen should be guilty of any of the offences mentioned why should they not come under the law?

Mr. WOODSWORTH: I will come to that point in a moment. I need not refer to the Minister of Railways (Mr. Dunning), another member of the cabinet. He was born in England and this law applies to him quite definitely. Not only in theory does this law apply to British born citizens but in actual fact it has been invoked against such people. It is therefore not a matter of mere academic interest, and that is why some of us feel so strongly about it. I dislike very much referring to the matter inasmuch as it has been discussed time and again; but I must allude, in passing, to the trouble we had in Winnipeg in 1919, when a number of Britishers, men born in England and Scotland, were arrested under this section and were liable to deportation. It was definitely decided by the department that they were to be deported within a few hours without trial, and it was only because of the protest made, not only by the labour people but by thoughtful citizens in all walks of life throughout the country, that this action was stayed. I repeat therefore that the matter is not one simply of academic interest. The law was actually invoked against this class of citizens and it may be used again.

I come now to another important consideration. Some of us in this House have been accused again and again of a desire to foster crime simply because we want to get rid of this act. We are charged with wanting to encourage offences of this description and to help people tear down the constitution. I am not advocating any of the things that are legislated against in this act. Not at all. I do say however, and say most emphatically, that the worst man in this country ought to have a fair trial by jury. Far from that being the case under this act, all that is necessary to make anyone liable to deportation is that he be suspected of any of these offences or that he should by common repute, belong to any of the organizations mentioned. Any man suspected of any of these things may be reported to the immigration department and they, without anything further than a mere departmental investigation, can send him out of the country. That is too great a power to confer upon any department. If any one is suspected or is even guilty of any such offence the very least we can do is to give him a fair trial and not decide his fate by a departmental investigation. That is what we plead for. As a British citizen I claim for all British born citizens in Canada the right to fair trial by jury. But I would extend that plea in the case of those of foreign birth. I do not see why, simply because a man happens to have been born outside Canada, he should after coming to this country be shipped out again upon a report to the department that he belongs to some undesirable organization. I do not see why he should be deported without, at any rate, a fair trial. Is that the way we are going to teach our newer Canadians to respect British institutions?

Mr. BENNETT: Surely my hon. friend does not suggest that there is any country in the world which enters into a criminal trial before deciding upon the deportation of undesirables? It is a matter purely of departmental investigation to decide who shall be permitted to stay in the country. In any event the right of habeas corpus is always available to the citizen under sentence of deportation.

Mr. CANNON: If my hon. friend reads the immigration law he will find that the ight of habeas corpus is taken away.

Mr. WOODSWORTH: Any rights in that regard are removed.

Mr. FORKE: I do not think my hon. friend (Mr. Bennett) has studied the act.

Mr. WOODSWORTH: Those who are most strenuously objecting to this proposal have evidently neglected to look into the act as carefully as they should or they would not make the statements we have been hearing. The law as it stands virtually creates the Immigration department a judicial body. It seems that citizens are to be punished by deportation without any preliminary trial.

Mr. BENNETT: That is not punishment.

Mr. WOODSWORTH: The ostensible purpose of the law is to enable the department to get rid of undesirables who come to our shores. The real effect, however, is, not to keep people from coming into the country, but, after they have been here one, five, ten,

or even fifty years, to punish them by deportation, and that not for acts committed before they came to the country but for acts which they have committed or which they are alleged to have committed, or are even suspected of having committed in this country. I can understand the purpose of the Immigration Act to free this country from undesirables as they arrive here.

Mr. GUTHRIE: May I ask the hon. member a question? Would he be conent with the Immigration Act as it stood in 1910?

Mr. WOODSWORTH: It is two years since I have read these acts, and I am afraid I cannot recall the wording of the act of 1910.

Mr. GUTHRIE: I understand it is the only power under which deportation can be carried cut. If you pass this bill you take away all powers of deportation.

Mr. WOODSWORTH: The leader of the opposition is mistaken, and I would call to his attention the fact that it was the hon. member for West Calgary who last year suggested an amendment to the bill by which he thought to perfect it, which went further than the original draft act as presented by the minister. In the original bill there was some provision for deportation after trial for crimes of this character, but owing to the amendment introduced by the hon. member for West Calgary, that was modified and it was suggested that the whole clause should be eliminated; anyone who was present at the debate last year will recall the change.

My plea, Mr. Speaker, is that the Immigration Act quite rightly undertakes to stand guard at our gates and to say who may be admitted into Canada. If by any chance some get inside our gates who are undesirable I claim that the right still exists under the Immigration Act to deport them. It is perhaps quite in place that the department should have some act on the statute books to permit of such deportation. But so far as I have any influence, I refuse to allow an act to remain on the statute books which will use the departmental machinery for trying a man, and then deporting him without a fair jury trial; I think that is against all our best traditions. Personally I would not object to the country deporting a man who is undesirable; I will go that far with the hon. member for West Calgary. If a man is convicted of belonging to the undesirable classes; if he is convicted of acting against the best interests of Canada, I do not know that I would have any objection to deporting him.

[Mr. Woodsworth.]

It is not the deportation I object to, and I want to make that quite clear. What I do object to is the deportation without any other trial than that afforded by a departmental investigation.

Mr. HANSON: Would the hon. member permit a question? Does he know that under the law of the United States on this very point it is always a departmental matter, and that it is the same in England and in every other civilized country? Where does he get the trial by jury on this particular point?

Mr. WOODSWORTH: I do not think the American laws provide for the deportation of American citizens. Our law goes much beyond that; the United States will deport people who are not American citizens, but we undertake to deport Canadian citizens of other than Canadian birth, even those born in Great Britain. I happened to be born in Canada and am not liable under this act; the hon. member who asked the question (Mr. Hanson) is not liable under it, but there are some twenty or thirty men in this House who would come under it, and simply because I happened to be born in Canada I would not insist upon the right of trial by jury for myself and refuse that right to my fellow Canadian citizens who were so unfortunate as to have been born in the motherland. It seems to me that the least we can claim is the same rights for the British-born in this country as we claim for our own Canadian-born. We have heard much of equal status. This is equal status, if you like. It seems to me that the House has been labouring for several years under a misapprehension as to the real purposes for which the amendments have been sought. I confess that the bill is a very tricky one, and that it is only by carefully comparing the different sections that one can understand all its bearings. The outstanding feature before us, however, is whether or not British born and foreign born Canadian citizens will have the right to trial by the regular courts before they may be subject to deportation.

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, I desire—

Mr. C. H. CAHAN (St Lawrence-St. George): Mr. Speaker, with regard to this act there is a great deal to be said with respect to—

Mr. SPEAKER: I saw the hon. member for Vancouver Centre (Mr. Stevens) first.

Mr. CAHAN: He gave way to me for a few moments, since I am leaving the city shortly. There is a great deal to be said against deportation merely on suspicion. As it now stands, the act might very well be reconsidered, but to repeal it would leave this country in a very precarious condition.

In 1918 I happened to be Director of Public Safety for Canada, and I saw the entire workings of the American, British and Canadian secret services. In that year there were hundreds and thousands of dollars, and I would say up to a million and more, of Russian money brought into this country for the purpose of carrying on an agitation advocating assassination and everything else against which this act purports to enact measures for the protection of the country. I personally sent for the Russians, the communistic emissaries, and had several personal conversations with them, in which I told them very plainly that any remedial measures which could be adopted by means of order in council at that time would be enacted to prevent their efforts from being carried to the treasonable extent to which they proposed to go. In a measure, by such intimidation we prevented them from carrying out certain measures which they were endeavouring to accomplish by the expenditure of hundreds of thousands of dollars in this country.

The act as it then stood did not go far enough to protect the interests of Canada at that time. I believe this act was drawn up the year after the close of the war; possibly it goes a little too far, but it should not be abrogated, because the same measures are being taken by soviet propaganda in this country to-day. We who know the inside of things are all aware of it; the Department of Justice of Canada must be well advised with regard to it. The efforts which were made in 1918 were successful to a certain extent, but following the close of the war similar efforts have been carried on and are being carried on throughout the length and breadth of this country. If I remember rightly in 1918 there were two secret printing presses in Montreal, one in Toronto, one in Hamilton, one in Port Arthur, one in Winnipeg and one in Vancouver.

Mr. HEAPS: Secret printing presses?

Mr. CAHAN: Secret printing presses.

Mr. HEAPS: I can hardly credit that.

Mr. CAHAN: I am giving the facts as I knew them. When I left the Department of Justice I left there a pile of reports a yard high of the material they were printing, in every known language in this country with the exception of French; I did not find any propaganda of that kind being printed in the French language.

Mr. WOODSWORTH: Is the hon. gentleman aware that one was arrested for having printed a cook book in Ukrainian?

Mr. CAHAN: I don't know why he was arrested. I may say that during the time I was in the Department of Justice very few were arrested except for proper cause. As a matter of fact very few were arrested, because I found that an effective measure was to send for these men and talk to them, threaten them with deportation immediately if they did not stop their efforts. This country must protect itself against the advocacy of assassination or violence to the officials of the government of Canada. There must be some law whereby those foreigners who come in here—even if they come from Great Britain because of having been born there—sent in by the Soviet for the purpose of advocating such measures—can be prevented from carrying out their designs. This country must be in a position to protect itself. There is no doubt about that in my mind. If the present enactment goes too far or if it is unjust let us consider some amendment or modification of it. There are criticisms made made by the hon. member who preceded me which have effective force with regard to "suspicion" and "general repute", and that sort of thing, but there must be a measure on the statute book of this country for the protection of government in Canada.

Mr. FORKE: We have other safeguards under the law.

Mr. CAHAN: Without that section, and under the law as it stood before, you could not take effective measures to expel these people from the country. That was my experience. We tried every expedient possible and we were unable to take effective action under the law as it then stood. Why, Mr. Speaker, I had men come into my office in the Department of Justice and threaten—unless we carried out certain measures which they proposed—to put a sufficient number of men into the city of Ottawa to take possession of it within forty-eight hours, and they had behind them organizations which would have enabled them—in spite of the police force available here at that time—to take effective possession of this city and of the very seat of government.

Mr. BENNETT: As they did in Winnipeg.

Mr. WOODSWORTH: Does the hon. gentleman really believe that?

Mr. CAHAN: I do because I came into personal contact with them and I know whereof I am speaking. I say that we had not then on the statute book—apart from the orders in council which were passed under the War Measures Act—any effective measure for preventing the execution of their threats. Now in view of that—and I am stating what I know to be the truth—I say that we should have on the statute book a measure enacted by this parliament which would prevent the successful carrying out of any such scheme as that. Therefore I think this bill should be held over; that the government should, through its legal experts, inquire into the whole matter in the light of the information which they have in the Department of Justice and its branches. Then let them bring down a measure to modify this language in certain particulars so as to meet the complaint that injustice may be wrought to persons who may be merely the objects of suspicion. The whole matter must and should be gone into by the government and a proper measure formulated, modifying somewhat certain provisions of the existing act, the whole of which it is sought here to repeal.

Mr. WOODSWORTH: Before the hon. gentleman takes his seat I would ask him if he does not think that even men of the kind he has described ought to have a fair trial.

Mr. CAHAN: So far as citizens of this country are concerned, yes.

Mr. WOODSWORTH: British born citizens.

Mr. CAHAN: Possibly so far as British born citizens are concerned I would make the same reply. But when men come in from Moscow, or certain other places that I might mention—

Mr. WOODSWORTH: Italy.

Mr. CAHAN: —come in under passports granted by their own governments and viséd by ours, or under a mere temporary permit, or when they come in under the guise of immigrants, they are assumed, so long as they remain here, to be subject to every law of this country and they must abide by the provisions of those laws. But as to those men who violate the understanding which exists between nations, under which the citizens of one nationality are allowed to make their way freely in the country of another nationality, those men who come for the purpose of assassination, for the purpose of committing crime, for the purpose of blowing up our bridges, for the purpose of destroying our arsenals, for the purpose of carrying on propaganda which would induce others to commit crime, I would issue an edict expelling them from the country, and they ought to thank God that they were allowed to go. Because of my experience in this matter I feel strongly about it. Nevertheless, I would not do the injustice of which the hon. member for Winnipeg North Centre complained.

Mr. WOODSWORTH: You would give them a trial first.

Mr. BENNETT: No.

Mr. CAHAN: I would not give the foreigner a trial if it was clear to the Department of Justice that he had violated the understanding under which he had come into this country —either as an immigrant or on a passport fraudulently granted to him—and had come here with the intention of committing crime. I would give a trial to every British subject, whether he be of Canadian nationality or whether he be of Australian nationality, to every man who has come in and been naturalized and thereby become a Canadian citizen, but in the case of such aliens as I met personally—who admitted to me in my office the objects for which they had come into this country, who admitted they had come here for the purpose of committing crime themselves and instigating Canadian citizens to commit crime—I would deal with them in the most peremptory manner possible under the immigration laws.

Mr. BENNETT: Rising to a question of privilege, I have to thank my hon. friend from Winnipeg North Centre (Mr. Woodsworth) for having drawn my attention to the fact that I used the words "British subject" erroneously. I was speaking very rapidly and should have employed the expression "Canadian citizen" instead of which I erroneously used the term "British citizen or subject" and did so quite frequently.

Mr. FORKE: You used the term "British subject" several times.

Mr. BENNETT: I know I did, but I did so erroneously, and I now desire to make a correction.

Hon. H. H. STEVENS (Vancouver Centre): I might take this immediate opportunity of replying to the interjection of the Minister of Immigration, and pointing out to him that the explanation my hon. friend from West Calgary (Mr. Bennett) made a few moments ago is quite opportune, because the old act of 1910, which I now have under my hand, uses the term "Canadian citizen,"

and it was quite innocently that the hon. gentleman made the error referred to. Now if the minister would do me the honour of following me for a few minutes I think I can show to him and his colleagues, and to the House as well, some very strong reasons why we should pause before passing this bill. I also invite the attention of my hon. friend from Winnipeg North Centre (Mr. Woodsworth) who has taken a very deep interest in this matter. Before passing to that phase of the question I should like to say that I find some response in my own mind to a part of the appeal made by the hon. member for Winnipeg North Centre, and that is in regard to the words in the act "reputed to belong" or "suspected to belong." I have no hesitation in saying that is open to abuse, although I doubt if any very definite cases of abuse can be shown. I know there is a dispute with respect to a certain period in the Winnipeg general strike where it is claimed that provision was taken advantage of. Outside of that I do not know of any case. But I would remind my hon. friend, while I go to meet him in that respect, that the act of 1910, which was passed in perhaps one of the most peaceful periods of our history by the government of the late Right Hon. Sir Wilfrid Laurier, contains these words:

—or shall by common repute belong to or be suspected of belonging to any secret society or organization which extorts money from, or in any way attempts to control, any resident of Canada by force or threat of bodily harm, or by blackmail.

Precisely the same words as are in the act my hon. friend now complains of.

Mr. HEAPS: Is the word "money" in both acts?

Mr. STEVENS: I will read again the exact words from the 1910 act:

—any secret society or organization which extorts money from, or in any way attempts to control, any resident of Canada by force or threat of bodily harm, or by blackmail.

So I want my hon. friend at least to concede that these objectionable words were not interjected into the act of 1919; they were already in the act of 1910. The right hon. Prime Minister of to-day was at that time Minister of Labour, and no one, I think, will accuse him of having at that period or since any prejudice against those who are fairly radical in their views on labour or sociological questions.

I wish the Prime Minister were in his seat. But let me appeal to the Solicitor General, who perhaps has charge of this bill from the legal standpoint, as to what will happen if the bill passes. By section 1, it is provided:

Section 41 of the Immigration Act, chapter 27 of the statutes of 1910, as enacted by chapter 26 of the statutes of 1919, is repealed.

That means that you also repeal the original clause of the act of 1910, leaving the country without the protection that it had even at that time. I do not know whether that is the intent of the bill, but it will be the result of passing it.

In order that we may have before us the type that we deem to be undesirable citizens, I am going to read sections 40 and 41 of the act of 1910, dealing with the deportation of prohibited and undesirable classes. This is section 40:

Whenever any person, other than a Canadian citizen,—

I want my hon. friends to note those words, "other than a Canadian citizen".

Mr. HEAPS: Does not a British born citizen automatically become a Canadian citizen?

Mr. STEVENS: No. If my hon. friend will follow me he will see that I am correct in my interpretation.

Whenever a person, other than a Canadian citizen, within three years after landing in Canada,—

I direct the attention of hon. members to those words 'within three years after landing in Canada."

—has been convicted of a criminal offence in Canada, or has become a prostitute or an inmate of a house of ill-fame, or by common repute has become a procurer or pimp or person living on the avails of prostitution, or has become a professional beggar or a public charge, or an inmate of a penitentiary, jail, reformatory, prison, hospital, insane asylum or public charitable institution, or enters or remains in Canada contrary to any provision of this act, it shall be the duty of any officer cognizant thereof, and the duty of the clerk, secretary or other official of any municipality in Canada wherein such person may be, to forthwith send a written complaint thereof to the Minister or Superintendent of Immigration, giving full particulars.

There you have the section describing certain classes of people that may be deported wthout trial after investigation by a board of inquiry, which I will come to in a moment. Their conviction of any of these criminal offences within three years after entry into Canada is considered sufficient to warrant their deportation, that is, to declare them undesirable for Canada and to send them back whence they came.

Mr. CANNON: If my hon. friend will allow me? He has just stated that a person would be subject to deportation if convicted of any of the offences referred to within three years of arrival in this country. If I read the Immigration Act correctly, such a person would be deported if convicted of any criminal offence within five years after landing in Canada. The three years has been changed to five and the section now applies accordingly.

Mr. STEVENS: I am reading section 40 of the 1910 act. The amendment my hon. friend refers to was made subsequently.

Mr. WOODSWORTH: I do not wish to interrupt the hon. member, but I think I am right in saying that under this act it becomes impossible for a person who belongs to the undesirable classes to secure Canadian domicile even after residing here for fifty years.

Mr. STEVENS: We will come to that in a moment. I am trying to show the House what was thought necessary to protect this country against undesirable persons even in times of peace and rest. Now I come to section 41 of the 1910 act, and if hon. gentlemen will follow the clause we are repealing they will see that it agrees pretty completely with this section:

Whenever any person other than a Canadian citizen—

The House will note the phrase "other than a Canadian citizen."

—advocates in Canada the overthrow by force or violence of the government of Great Britain or Canada, or other British dominion, colony, possession or dependency, or the overthrow by force or violence of constituted law and authority, or the assassination of any official of the government of Great Britain or Canada or other British dominion, colony, possession or dependency, or of any foreign government, or shall by word or act create or attempt to create riot or public disorder in Canada, or shall by common repute belong to or be suspected of belonging to any secret society or organization which extorts money from, or in any way attempts to control, any resident of Canada by force, or threat of bodily harm, or by blackmail; such person for the purposes of this act shall be considered and classed as an undersirable immigrant, and it shall be the duty of any officer becoming cognizant thereof, and the duty of the clerk, secretary or other official of any municipality in Canada wherein such person may be, to forthwith send a written complaint thereof to the Minister or Superintendent of Immigration, giving full particulars.

Mr. NEILL: What happens then?

Mr. STEVENS: I am building up the background for this act and for my argument and the argument of my hon. friends from West Calgary (Mr. Bennett) and St. Lawrence-St. George (Mr. Cahan) in support of the maintenance of this act. In 1910, I repeat, when the world was at peace perhaps as it had not been for many years, Canada felt it necessary to protect herself against agitators of this character who were other than Canadian citizens—I want the House to get that point particularly, because it has been stressed—from finding a sojourning place in Canada.

Mr. FORKE: May I ask the hon. member a question for information? He is building up his argument on Canadian citizenship. Is he keeping in mind that section 41 expressly exempts British subjects born in Britain from being described as Canadian citizens?

Mr. STEVENS: Precisely. Will my hon. friend let me point this out, and I will leave it to the judgment of the House; I am not going to labour the point. In the two sections of the act of 1910 which I have quoted the words are "other than a Canadian citizen."

Mr. FORKE: My hon. friend has not caught the point.

Mr. STEVENS: If the minister will follow me, I will try and elucidate. There is no question, I think, in our minds that the intention of this act was that a person who was not a Canadian citizen—I was going to use an Irishism and say, who was not a Canadian citizen before he came here, but let me put it this way—a Canadian citizen by birth, because a person coming from another part of the empire would undoubtedly come under these two sections, but it was called in question whether that applied or not, and then it was made clear in the act of 1919.

Now I pass on, if the Minister of Immigration will permit me to this point, which has been very much stressed by my hon. friend from Winnipeg North Centre: What are the conditions or terms under which these people are deported? My hon. friend says: Surely you would not deport a person, no matter who he is, or what his crime may be, without giving him a jury trial in the courts.

Mr. WOODSWORTH: Any proper judicial trial.

Mr. STEVENS: Yes, a trial in the courts of the country. Now what does the act of 1910 say? It contains a provision for handling these cases to which I have referred, different classes of persons who within five years may have offended against the laws of Canada. Section 42 of the act of 1910 says:

Upon receiving a complaint—

Let me interject that the act imposes upon the municipal authorities the necessity of reporting if being cognizant of it:

Upon receiving a complaint from any officer, or from any clerk or secretary or other official of a municipality, whether directly or through the Superintendent of Immigration, against any person alleged to belong to any prohibited or undesirable class, the minister may order such person to be taken into custody and detained at an immigrant station for examination and an investigation of the facts alleged in the said complaint to be made by a board of inquiry or by an officer acting as such.

That is the provision made in the act, that the case shall be inquired into by a board of inquiry. That is the practice in connection with all these subjects of deportation. It is the practice I believe in every civilized country in the world.

Mr. FORKE: The hon. member did not emphasize the fact that one officer acting alone could deport the man.

Mr. STEVENS: I am not complaining about that.

Mr. FORKE: I am pointing it out.

Mr. STEVENS: I do not see the point. I hope the minister does not think I am trying to trick the House.

Mr. FORKE: There does not necessarily have to be a board. One officer can do it.

Mr. STEVENS: Let us try and get it clear. Section 42 says that upon receiving a complaint:

—the minister may order such person to be taken into custody and detained at an immigrant station for examination and an investigation of the facts alleged in the said complaint to be made by a board of inquiry or by an officer acting as such.

Mr. FORKE: One officer can do it.

Mr. STEVENS: I want to be fair, and I want to be intelligible. Will the minister say—

Mr. FORKE: I simply want to point out the fact that the hon. member emphasized that it was a board, composed of three probably.

Mr. GUTHRIE: He did not say how many.

Mr. FORKE: I am only pointing out that where a board was not convenient, one officer could decide the case.

Mr. STEVENS: I think that what is in the minister's mind is this, that one of the reasons why this bill is before the House now is that one officer may act as a board of inquiry. But I am reading the act of 1910. I am trying to show the House that these drastic measures were in the act in 1910, in days of peace and quietude. How much more reason is there that we should have these provisions now, when there is agitation and disturbance? That is the point I am trying to make. Let me continue with section 42:

Such board of inquiry—

Mr. WOODSWORTH: Is there not a difference between a man who has been in gaol or has been a subject of charity and is held subject to deportation,—a situation clearly recognized by the whole community, and the case of a man who is accused of a political crime?

Mr. STEVENS: My answer is, first, that I am reading the old act which included both classes; and secondly—and I invite the House to consider this—a man who is living off the proceeds of prostitution, or a man who has been in the penitentiary or gaol or reformatory or in an insane asylum or public charitable institution, is he guilty of a greater degree of moral turpitude and more offensive to a country than the man who advocates the assassination of a public official, or who suggests the unlawful destruction of property, or who without lawful authority assumes the powers of government in this country, or by force or by threat of bodily harm, or by blackmail, seeks to extort money and so forth?

Mr. WOODSWORTH: Do not skip; read it all.

Mr. STEVENS: I am just citing these classes, and I ask are these classes last described less objectionable than the others to whom I have referred coming under section 40.

Mr. CANNON: In order to have a fair discussion, which I know my hon. friend wishes, I would point out that section 40 does not confine itself simply to the classes mentioned by my hon. friend. If my hon. friend reads further he will find in clause 40 these words, "or any person who enters or remains in Canada contrary to any provision of this act." If my hon. friend will revert to section 3 of the act, he will see that every individual against whom we may have any reason whatever for deportation falls under section 40.

Mr. STEVENS: Quite so.

Mr. CANNON: It does not deal only with prostitutes.

Mr. STEVENS: No, certainly not. I will read some more. Under section 3 we have mentioned idiots, imbeciles, feeble-minded persons, epileptics, insane persons.

I had a letter the other day from three persons living in Vancouver, a man and his two daughters. The man's wife and another crippled daughter are now in Warsaw. The father and the two daughters have been in Canada for I believe eight years. They are all earning their own living here, and are all doing well. One of the daughters is a stenographer in an office and is a very, very desirable citizen indeed. But for eight years the father and his two daughters in Canada have been separated from the mother and the crippled daughter in Russia. Why? Because under section 3 you will not allow into this country a person who is crippled. I am not seeking to hide anything in this act; not at all, but again I ask, is this daughter who is crippled and whom we keep out of this country as much guilty of an offence and as undesirable as the person who advocates the assassination of an official of this country or the overthrow of our government and institutions.

Mr. HEAPS: Does my hon. friend say that the act of 1910 covers all these cases?

Mr. STEVENS: I do not claim that.

Mr. HEAPS: Then why is the act of 1919 necessary?

Mr. STEVENS: I will tell my hon. friend why.

Mr. NEILL: I understand my hon. friend's argument is that the act of 1910 is quite as drastic as the act of 1919?

Mr. STEVENS: No.

Mr. NEILL: Or nearly so?

Mr. STEVENS: No.

Mr. NEILL: Will my hon. friend explain to what extent the provisions of the act of 1919 exceeded the provisions of the act of 1910?

Mr. STEVENS: The exact words have not been underlined in the bill before me. I only took the matter up since the debate opened, and I am not fully prepared to discuss it. I did invite the House to follow me while I was reading the old section so that they might note the exact difference, but I think the point arises in the latter portion of the act. I was led into a bit of a trap in asking a question of the hon. member for Winnipeg North Centre (Mr. Woodsworth) The words of the section are:

—who is a British subject either by reason of birth in Canada, or by reason of naturalization in Canada.

[Mr. Stevens.]

I think the act of 1919 was designed to make it clear that the words "Canadian citizen" did not include a person coming from Great Britain.

Mr. NEILL: Is that the only provision?

Mr. STEVENS: There are some words added in the clause which they have not underlined, and it is difficult to pick them out. I think my hon. friend from Winnipeg North Centre will agree with me that the act of 1919 was designed to make clear that those who might come to Canada, even though they came from Great Britain, counselling the various offences enumerated there should be subject to deportation. My point is that the principle of that provision was in the act of 1910 and that was not by any means disturbed. Therefore we should keep it in the act at the present time. I would suggest that the House might consider modifying the harshness of the act, but I certainly am opposed to the repeal of the section which repeals the original section with it.

PRIVATE BILL

FIRST AND SECOND READINGS

Bill No. 305 (from the Senate) to incorporate the Commerce Mutual Fire Insurance Company—Mr. Morin (St. Hyacinthe-Rouville).

At one o'clock the House took recess.

The House resumed at three o'clock.

IMMIGRATION ACT AMENDMENT

REPEAL OF PROVISION FOR DEPORTATION OF CERTAIN CLASSES

The House resumed the adjourned debate on the motion of the Minister of Immigration and Colonization (Mr. Forke) for the second reading of Bill No. 269, to amend the Immigration Act.

Mr. STEVENS: I am glad that the Prime Minister is in his seat because I desire to appeal to him to restore the act of 1910. That act was passed when he, I think, was Minister of Labour in the government of that day, and its terms will I presume be satisfactory to him. In what I now say I am speaking for myself and not for all those who sit on this side of the House. I have not consulted with my colleagues, except a few, and my leader agrees with me that it is a reasonable request to ask for the restoration of the act of 1910. I want to acknowledge the Solicitor General's courtesy in calling my attention to

a matter which I overlooked this morning, and I want to give full weight to what he pointed out to me subsequently to the rising of the House at one o'clock. He pointed out that a part of this section is covered in section 3 of the act as it now stands. I will read these two parts so that the House may know the extent to which this general subject is now covered. I refer to paragraphs (n) and (o) of section 3 of the Immigration Act of 1919. I had considerable difficulty in getting this from the library but I have succeeded in securing a copy. The first one sent me was not up to date. These two paragraphs read:

(n) Persons who believe in or advocate the overthrow by force or violence of the government of Canada or of constituted law and authority, or who disbelieve in or are opposed to organized government, or who advocate the assassination of public officials, or who advocate or teach the unlawful destruction of property;

(o) Persons who are members of or affiliated with any organization entertaining or teaching in or opposition to organized government, or advocating or teaching the duty, necessity or propriety of the unlawful assaulting or killing of any officer or officers, either of specific individuals or of officers generally, of the government of Canada, or of any other organized government, because of his or their official character, or advocating or teaching the unlawful destruction of property.

Those paragraphs appear in the act of 1919 and to that extent they offset my argument of this morning. They do not however go as far as we should like. I want to thank the Solicitor General for bringing the matter to my attention.

Now I wish to read the existing provisions which will be repealed should this bill go through, having made allowance for the two sections I have read which will remain in the act. This is what will be repealed:

Every person who by word or act in Canada seeks to overthrow by force or violence the government of or constituted law and authority in the United Kingdom of Great Britain and Ireland or. . . . . the government of any other of His Majesty's dominions, colonies, possessions or dependencies . . . . or by word or act creates or attempts to create any riot or public disorder in Canada, or who without lawful authority assumes any powers of government in Canada or in any part thereof, or who by common repute belongs to or is suspected of belonging to any secret society or organization which extorts money from or in any way attempts to control any resident of Canada, by force or by threat of bodily harm or by blackmail. . . . .

The foregoing words will pass out of our legislation. I want to impress upon the Prime Minister and the government the fact that in the act of 1910, which will cease to operate if this bill is adopted, the following words appear:

Whenever any person other than a Canadian citizen advocates in Canada the overthrow by force or violence of the government of Great Britain or Canada or other British Dominion, colony, possession or dependency. . . . or of any foreign government, or shall by word or act create or attempt to create riot or public disorder in Canada, or shall by common repute belong to or be suspected of belonging to any secret society or organization which extorts money from or in any way attempts to control any resident of Canada by force or threat of bodily harm or by blackmail.

These words are in the act of 1910, and they will be repealed if this bill goes through. I am personally willing to agree to the dropping of the amended section 41, now before the House for repeal, and to the restoration of section 41 which I have just read, only a very small part of which is now included in the act in section 3 paragraphs (n) and (o). It will be noted that certain words would seem to be merely repetition; for instance, the overthrow by force or violence of the government of Canada, and so on. The present act provides against that in Canada, but it does not provide against persons advocating the overthrow by violence of the government of Great Britain or other British possessions.

Mr. CANNON: Will the hon. member allow a question? Paragraph (n) reads as follows:

Persons who believe in or advocate the overthrow by force or violence of the government of Canada, or of constituted law and authority—

I call my hon. friend's attention to the following words:

—or who disbelieve in or are opposed to organized government—

If that does not cover every case I would like to know what words are necessary.

Mr. STEVENS: I do not want to split hairs, but the fact is that the words—

Persons who believe in or advocate the overthrow by force or violence of the government of Canada, or of constituted law and authority—

are one sentence in the act, and it is limited to Canada.

Mr. CANNON: I will admit that.

Mr. STEVENS: It is one sentence, and it must mean that you have no recourse against a person advocating the overthrow of other governments.

Mr. CANNON: Unless the rest of the paragraph covers it.

Mr. STEVENS: I should think it does not, and my point is this: Let us go back

to the statute as it was in 1910. This morning, when the Prime Minister was not in his seat, I pointed out that the statute of 1910 was conceived, drafted and passed during a period of time when this country in common with the rest of the world was enjoying perhaps the greatest era of peace and freedom from disorder which occurred during the last century, and of course my right hon. friend was minister at the time. I think if it was thought wise then, we should retain it in our statutes now, and I suggest to the government that instead of repealing this act now they either let it stand as it is until next session or between now and Monday repeal the present section 41 and reinstate the old section which was in the statute of 1910. I may point out to hon. gentlemen who have been advocating very strongly the repeal of this section on the ground that it refers to British subjects who are not Canadian-born, that the statute as it stands refers to British subjects who are not Canadian-born. For instance, paragraphs (n) and (o) refer to "persons who believe," which includes anyone from any part of the empire. It does not include Canadians, because a Canadian is subject to our own courts. Any person coming into Canada or who is here advocating these things which are now in the act is covered by these paragraphs, so that the argument that we are doing a grievous injury by not excluding British subjects generally is a mistake.

Let me give a practical illustration of that. A few years ago one of the officers of this very department, Mr. Hopkinson, was shot and killed in the court room of the court house in Vancouver by a British subject; that is, a British subject from India. Of course that man was apprehended and later suffered the extreme penalty, but I point out that it is absurd to say that a person who comes from some other part of the empire should be immune from the provisions of this act, advocating as they so often do these very things. This man who shot Hopkinson was one of a group of individuals who were anarchistic in their beliefs, and who were against all governments. My right hon. friend will remember some of them, I am sure; I have forgotten the names for the moment, but they were certain Hindus of the extreme type who advocated assassination and went so far as to practise it in Canada. My point is that we should certainly have a law with some power behind it and some definiteness to it whereby we could deport such people, and in so far as the present law meets that situation I am entirely in accord with it.

[Mr. Stevens.]

Let me close my remarks, because I do not wish to weary the House, with another appeal to the Prime Minister to restore section 41, which was placed in the act at a time when coolness and deliberation characterized our proceedings, and when there was no reason whatever for agitation. Let him eliminate the amendment of 1919 which, with some measure of reason perhaps, is complained of because it was carried out at a time of great excitement and unusual stress.

Hon. ROBERT FORKE (Minister of Immigration and Colonization): I desire to say only a few words with reference to the subject now before the House. I believe the sting in section 41 is really at the end of the clause, where it says:

> Provided, that this section shall not apply to any person who is a British subject, either by reason of birth in Canada, or by reason of naturalization in Canada.

It seems a very harmless sort of statement, but the hon. member for Winnipeg North Centre does not seem to think it casts any reflection upon Canadian citizens who were born in Great Britain. I do not agree with him; I think it does cast such a reflection.

Mr. STEVENS: My hon. friend is referring to me; fix the crime upon the right person.

Mr. FORKE: I do not count it a crime. I think there is a reflection cast in one way. A man who came here from Great Britain forty or fifty years ago, who married a Canadian citizen and has reared a family of Canadians, occupies a position of inferiority to Canadian citizens during his whole lifetime because he has not the privileges they enjoy. I do not think there is any necessity for a law of this description and I do not think the people of this country want such a law.

Mr. STEVENS: The only privilege he has is to commit a crime.

Mr. FORKE: If he commits a crime the law of the country will deal with him, and if there is any cause for deportation the court will deport him. A great deal has been said to the effect that these people would not be deported for these crimes. There is nothing in the act against that, but we want to give every Canadian citizen in this country a fair trial by our ordinary constituted courts, and I think if anyone studies the Immigration Act carefully he will realize that it is stringent enough.

I accept the explanation made by the hon. member for West Calgary (Mr. Bennett), when he said that he meant British citizens

all the time he was saying Canadian citizens, yet if you look up Hansard I think you will find that his whole argument was built up on the fact that Canadian citizens in the wider sense of the word were exempted from section 41, and it seems strange to me that he should have repeated the words "Canadian citizens" when he meant "British citizens." A great deal of argument has arisen because of the understanding that Canadian citizens in the ordinary sense of the word would come under section 41 and would be liable to deportation without trial in the ordinary course of events. It has been pointed out also that one immigration officer can try a man on the suspicion that he is preaching sedition, which seems to be almost absurd on the face of it. Canadian immigration officers as a whole are not in a position, nor have they the education and training, to try any man in the case of such a serious thing as deportation, and deportation is a very serious thing. One argument I have heard made—

Mr. STEVENS: Will my hon. friend permit me? Referring to section 3 of the act it will be seen that with respect to all deportation cases without exception power rests with the board of inquiry or one officer at the present time, and that the provision is applicable to British subjects other than Canadian citizens.

Mr. FORKE: It is if the person is guilty of any of these crimes.

Mr. STEVENS: No, if he is found guilty by one officer.

Mr. FORKE: After being admitted to the country.

Mr. STEVENS: Yes and within five years after being admitted in the case of all these offences, every one of them.

Mr. FORKE: Well, I will not argue the point because I have not looked into it particularly, but if it is so then I claim there should be an ordinary judicial trial.

Mr. STEVENS: Please do not advocate that. You had better consult your colleagues first.

Mr. FORKE: One of the arguments advanced has been: Why change this law? Although it has never been found to be of any service, or any use, why change it? Well, if the provision is all right it should be left there, and if it is wrong it ought to be removed. I do not want to take up the time of the House unduly but I claim that there are ample provisions in the Immigration Act, and in the Criminal Code to take care of every conceivable case, without having section 41 in the Immigration Act. If the law of 1910 met all requirements why was this clause inserted in the act of 1919?

Mr. STEVENS: I ask the minister—I have already asked him—to drop this offensive one and restore the act as it was in 1910.

Mr. FORKE: I shall have to leave that to the Solicitor General to say because I do not know what was in the act of 1910.

Mr. STEVENS: I will send a copy of the act over to my hon. friend.

Mr. FORKE: The Solicitor General has it at hand. If he has had time carefully to consider the act and thinks it covers the requirements, I may be inclined to agree to my hon. friend's suggestion.

Mr. STEVENS: Thank you.

Mr. STEWART (Leeds): Is it not a fact that every order for deportation has to be signed by the minister?

Mr. FORKE: Not necessarily. Under section 41 the man has the right of appeal to the minister, and I think I am correct in saying that the Hon. Mr. Calder, when he was the Minister of Immigration, said he would not assume the responsibility in such matters, but that was a matter of discretion on his own part. At any rate those to be deported would have the right of appeal to the Minister of Immigration.

Mr. A. W. NEILL (Comox-Alberni): I regret that the hon. member for West Calgary (Mr. Bennett) has precipitated the present discussion on this bill. I think it would have been much better to have avoided stirring up feelings and friction that ought to have been allowed to sink into oblivion. But seeing that he has raised the issue it becomes the duty of those of us who believe in the bill to support it. The hon. member for West Calgary charged the government with bringing this bill down in the closing days of the session, but in that he differs from the attitude taken, very properly I think, by his leader the other day, when he said that there was small need to debate these bills now coming before the House because they had already been debated last year, and no good object would be served by rehashing the arguments then presented. That is particularly true of the present bill which, if my memory is not wrong, has been passed by this House three times, certainly twice, and has been fully debated on previous occasions.

Now I propose to vote for and support this bill to the utmost of my power, for two reasons. First of all I told my constituents during the election that I had supported the bill in the past, and promised to support it in the future. Apart from that—apart from any sense of loyalty to promises made at election time—I would be in hearty accord with the principle of the bill for my own sake because it affects me personally. I happen to be one of that not inconsiderable body of people in Canada who were somewhat sneeringly alluded to by an hon. gentleman opposite as an "imported Canadian". I have spent thirty-six or thirty-seven years in Canada, and so far have avoided any particularly violent contact with the law, but I had to come to this house of parliament to be told that I occupy a position of inferiority to that of my own children or my grandchildren. I support this bill for two reasons. First, because I do not approve of deportation without trial. That is the crux of the whole thing. What is the use of wondering whether a person is a bolshevist, or encouraging this or the other kind of propaganda? I would certainly make the deportation of anybody, more particularly myself, impossible without trial. In the second place I object to the discrimination imposed upon those who were born in Britain, or in any part of the British Empire other than in Canada. It is possible at the mere whim of the Minister of Immigration to order my deportation to-morrow. It is impossible for him to deport by the same method a Russian who may have come to this country years ago, been naturalized in due course, and may be inoculating the community, for all we know, with bolshevistic ideas, or kindred doctrines. Notwithstanding that particular man may be pursuing such a course he cannot be interfered with, whereas I can be deported. That is a very substantial reason, to my mind, why I should support this bill. The hon. member for Vancouver Centre (Mr. Stevens) will pardon me if I am taking a wrong view of his argument, but I took that argument, to be this: We passed a similar act or a practically similar act in 1910, which is seventeen years ago. That is not a very strong argument as to any course we should pursue today, but in any case the acts are not identically the same. There was a very substantial difference in connection with the definition of a British subject in the act of 1910. I could have wriggled out of the meshes of the law by saying that I was a Canadian citizen, because there is no very closely defined definition of what a Canadian citizen is. A British born subject could have said "I am a Canadian citizen", citizenship not being particularly defined under the act of 1910. But in the act of 1919 there was a distinct and specific line of demarcation, between a Canadian born or naturalized man or woman and a man or woman born in the British Isles.

Mr. STEVENS: If my hon. friend will permit me, I know he desires to be quite fair. The interpretation clause of the act of 1910 says:

"Canadian citizen" means a person born in Canada who has not become an alien.

That limits the definition to Canadian born citizens.

Mr. NEILL: It is limited to Canadian born citizens?

Mr. STEVENS: Yes.

Mr. NEILL: Then what reason was there for passing the act of 1919? The hon. gentleman himself says the difference is primarily that of definition.

Mr. STEVENS: My hon. friend will admit that I have offered, as far as I am concerned, to agree to the repeal of the objectionable part of that act and to restore the act of 1910.

Mr. CANNON: If my hon. friend will allow me. I am quite sure he did not want to mislead the House, but I have here the act of 1910.

Mr. STEVENS: So have I.

Mr. CANNON: In that act "Canadian citizen" is defined as meaning:

i. A person born in Canada who has not become an alien.

That is what my hon. friend read. I continue quoting:

ii. A British subject who has Canadian domicile.

Mr. STEVENS: That is right.

Mr. CANNON: That knocks out all my friend's argument.

Mr. STEVENS: I admit to my hon. friend that I noted only the first clause. I did not do so with any intent to deceive the House. The Solicitor General has scored in part, and I frankly admit it.

Mr. NEILL: Mr. Speaker, when lawyers differ honest men come into their own, it is said.

Mr. STEVENS: Yes, but I am not a lawyer

Mr. NEILL: I apologize.

Mr. STEVENS: Thank you.

Mr. NEILL: Dealing for a moment with the argument of the hon. member for St. Lawrence-St. George (Mr. Cahan), he made a rather specious appeal to our emotions by presenting the very serious conditions that obtained during the war, and that came, he said, under his personal knowledge. But this very obvious fact ran through his appeal, that what he alluded to were crimes, and therefore the persons guilty of them would be subject to conviction if found guilty. He said there were secret printing presses throughout Canada printing literature seditious, of course. Otherwise they would not need to be secret. But does the hon. member recall that a couple of years ago I introduced and succeeded in getting through this House a very simple bill that would have prevented or at least checked that condition of affairs? It made every printer responsible for placing on the document he printed his name and address; but his friends in another chamber defeated that measure. Let me again emphasize that all the actions the hon. gentleman alluded to in an attempt to excite our sympathy were crimes, and if a man commits a crime here he can upon conviction be deported. That is what we ask for. We do not want to encourage criminals to remain here. The hon. member said that he dealt with that condition by taking the man into his office and reasoning with him. That is not the method I advocate in dealing with people of that type.

Mr. STEVENS: If I may interrupt my hon. friend, I find that I am still right. Let me quote from the act:

> Canadian domicile can be acquired for the purpose of this act by a person having his domicile for at least five years in Canada.

So I was not far wrong in my first statement.

Mr. CANNON: That is one way out, but very narrow.

Mr. NEILL: Let me give another illustration which I think will come home to the hon. member for Vancouver Centre, because it is connected with British Columbia, and I think it meets exactly the argument of the hon. member for St. Lawrence-St. George. We know there is a very sad and serious and disgraceful condition of affairs in British Columbia in the selling of what is known as dope, especially to children and young people, so much so that this House was moved, on the representations of hon. gentlemen like the hon. member for Vancouver Centre and others from that province, to pass an act declaring that all those caught selling or dealing in dope would be not only punishable by heavy imprisonment but after conviction would be subject to deportation. I have never heard anyone say there was anything wrong with deportation under those circumstances, because it was preceded by a conviction for a serious offence. It is the very procedure that we seek to apply in these cases of sedition, or alleged sedition, or suspected sedition—try them, convict them if they have committed the crime they are charged with, and then by all means deport them. But give them a trial by a jury of their peers. Both the members for Vancouver Centre and the member for St. Lawrence-St. George, while they uphold the present act to a certain extent, I think suggest some modification. Even the latter admitted that he was willing to make some concession along the lines I have indicated.

The hon. member for West Calgary with that facility so characteristic of him, drew a word picture of an alien agitator: What should we do with him? Get rid of him without trial or trouble. What is the use of making a hero of him in the courts? But I would remind the hon. member that we do not make heroes of our criminals, although that may be done elsewhere. It does not put much of a halo around a man if he is committed to the penitentiary for two years and is then deported. You cannot right an injustice by another injustice. I recall the case of a ruler in Turkey who, discovering that one of his subjects, a baker, was selling bread underweight, had him put into his oven and baked with his bread. The potentate boasted that this drastic remedy sufficed to stop the practice! But that is not the way civilized nations enforce their laws. Let us be logical. Let us go back along the lines advocated on the floor of this House to-day, because once you start on a course, whether forward or backward, there is always an ultimate conclusion, if you can arrive at it. Let us go back towards this line of feudalism and medievalism, and where will we land? Before very long we will reach the situation that obtained in France before the revolution, when lettres de cachet were common—I was almost going to say, were saleable; at least they were easily obtained. A royal mistress or other court favourite would get the king or some high official to issue a lettre de cachet, which simply meant a blank warrant of commitment to the Bastile. Very often these blank warrants were issued at night under the influence of passion or liquor, and by the morning the official forgot that he had ever

issued them. Being issued in blank it was open to the political favourite or mistress who had a grudge against some person to fill in that person's name, and the wretched victim was consigned to the Bastile without the formality of a trial. I emphasize that—without the formality of a trial. When the Bastile was taken by the revolutionists it was found that a large number of those immured there did not themselves know why they had been imprisoned. The parties who had obtained the lettres de cachet had died, their poor victims were forgotten, and remained entombed. That is only carrying the principle suggested to-day a little further backward.

It is a truism in political history that those who seek to forward the cause of progress and to uplift the status of the common people have to be ever on the watch against those who desire to turn the clock of progress back to the days which they fondly hope may yet return, and to revive the principles of reaction. This might be called perhaps an absurd comparison, but a few days ago this House lent itself to the restriction of free speech, and now we are being invited to restrict the liberty of free trial. It simply means going a few more steps backward. Why was not this question brought up last year and debated, why were not the arguments now advanced used then? Because, Mr. Speaker, an election was in sight, and those opposing this bill had to answer to the common people, so they did not think it advisable to take their present stand. But now an election is far away and it is hoped perhaps to make a few steps backward. It is natural for hon. members of a certain profession to take a retrograde step. They are proverbially the slaves of precedent; they are always looking behind them rather than forward.

I propose to vote for this bill, not because it encourages bolshevism. It does not. It is a bulwark against bolshevism, for you cannot right one wrong with another. I believe the best protection against bolshevism is to give freedom—certainly freedom of trial. I object to these clauses of the Immigration Act, not because of the deportation feature —deport everyone you like—but I do firmly and consistently object to the system of deportation without trial. That is the crux of my argument. Our forebears obtained the right of free trial by our peers on the field of Runnymede from King John. That is a long time ago. And it ill behooves us to take any steps, however slight, to deprive Canadian citizens of that right.

[Mr. Neill.]

Hon. LUCIEN CANNON (Solicitor General): Mr. Speaker, my remarks will be very brief, but I think before the House is called upon to vote on this bill we should examine it in its true light. It is not my intention to answer the appeals, very eloquent, it is true, that have been made by the hon. member for West Calgary (Mr. Bennett), but I shall try and explain in a few sentences just what this bill means, and what its effect will be if it is adopted.

When an immigrant comes to Canada, according to our existing laws he is examined when he is seeking entry. He is either passed as a desirable citizen, or else the officials of the department refuse him entry, and that ends his case. But if he enters Canada, the immigration authorities still maintain control over him after he has entered, and that control can be exercised in two ways. It may be exercised in exceptional cases by way of direct deportation after a board has given a decision on the case. I may say that that method should not be used unless the circumstances warrant it, and those circumstances must be of a most abnormal character. The second way of dealing with the immigrant who has already entered Canada, and who has become after his entry an undesirable citizen, is to convict him in court of a criminal offence, and after conviction deport him.

Mr. KAISER: Was that always necessary?

Mr. CANNON: I am giving the general lines of the law; I am not going into details. Last year this bill was introduced. It was fully discussed, and finally passed this House. This year it is again introduced, and we hear three main opponents of the bill—the hon. member for West Calgary, the hon. member for Vancouver Centre (Mr. Stevens), and the hon. member for St. Lawrence-St. George (Mr. Cahan). First of all I might call the attention of the House to the law as it exists, not a law that I might build up with a view to making a good argument, but the law as it is in our statutes to-day.

I would call the attention of hon. members to section 2 of the Immigration Act. My hon. friend the member for Vancouver Centre has spoken of the act of 1910. I now hold in my hand the law as it exists to-day, in 1927, and let us examine the law as it is to-day, and as it has been enacted by parliament. The law of the land to-day, in section 2, defines what an undesirable is, and if my hon. friend from Vancouver Centre will read the definition of an undesirable to be found in that section, he will find that the immigration authorities have complete authority to exclude from this

country any person who would not be a citizen that Canada would like to have within its boundaries. I say, first, that the department has full authority to-day to keep out of Canada whomsoever they wish to keep out.

Now take the case of a British subject born in England who comes to Canada. Under the section which we are now seeking to repeal, that British subject has been placed by the amendment of 1919 in a position of exception. A Doukhobor who has come to Canada and become a naturalized citizen cannot be deported under the law of 1919, but a British subject born in England, even though he had lived here for twenty-five or thirty years, is deportable under section 41. The hon. member for West Calgary appealed to the House this morning on behalf of British citizenship. Is it fair for the parliament of a British dominion to leave on the statute book a law which says that a British subject born outside of Canada shall be deported, while a foreigner born in Russia who has acquired Canadian citizenship through naturalization shall not be touched under the same circumstances? That is the point, and that is the law we are asking the House to repeal.

Mr. McGIBBON: Why not amend it?

Mr. CANNON: We amend the law when there is something good in it; we repeal it when it is all wrong. According to the law passed in 1919, this parliament gave to the immigration authorities an exceptional power, and that exceptional power was directed against British citizens born outside of Canada. It has been asked, if British citizens come into Canada and commit offences against the state, is that a reason why they should not be deported? In answer to that I am not asking that the British citizen born outside of Canada should not be treated as they ought to be treated when they commit offences, but I say that under our law they should be placed on a parity with the other citizens of Canada, and in asking this House to repeal this law we are simply asking that they be treated by the immigration authorities as any other person who has entered Canada would be treated under the like circumstances. Is that fair? Can there be any objection to it? When my hon. friend from Vancouver Centre and my hon. friend from St. Lawrence-St. George appeal to this House against this bill by describing the attempts of the bolsheviks in Canada to overthrow this government, my answer to that is simply that we can deal with the bolsheviks now under the existing law. But the section we are repealing here is a section which is directed against British citizens, not against Russians, not against bolsheviks. If you want to deal with bolsheviks or with people who come here from central Europe and have revolutionary ideas, you have power under section 40 to deal with them, but if you want to deal with British subjects and deport them at will in an arbitrary way, depriving them even of the right of appeal to a court to claim the liberty and freedom which they had as British subjects in England, so long as section 41 is on the statute book of Canada, an arbitrary Minister of Immigration can deport them to England without giving them a hearing in court or anywhere else.

Mr. STEVENS: May I ask a question? Paragraphs (n) and (o) of section 3 of the act deal with persons who believe in or advocate the overthrow by force or violence of the government of Canada, or persons who are members of or are affiliated with any organization entertaining or teaching disbelief or opposition to organized government. Now, is it not competent for the Minister of Immigration, without trial, without reference to any court, without conviction, to deport persons who come under these two paragraphs, whether they be British subjects or aliens other than persons with a Canadian domicile of at least five years?

Mr. CANNON: I was waiting for my hon. friend right there. If such be the case, section 41 is not necessary, so why oppose this bill?

Mr. STEVENS: For this reason, that section 41 contains other offences of a similar character that are not included in these two paragraphs, and furthermore, I might add that we have repeatedly asked for the restoration of section 41 of the act of 1910 and the dropping of this present section.

Mr. CANNON: My hon. friend says: If you put in the act section 41 of the act of 1910, I have no objection. But this morning my hon. friend stated to the House that his objection to section 41 as it is to-day was that it would allow the deportation of people who were even suspected or reputed to be members of an illegal or unlawful association.

Mr. STEVENS: I did not say that. What I said was that if it would help the matter, then as far as I was concerned I would agree to the deletion of those words "who by common repute belongs to or is suspected of belonging" and so forth.

Mr. CANNON: The moment you delete those words from section 41, there is no difference of any importance between section 40 and section 41.

Mr. STEVENS: Oh, yes.

Mr. EDWARDS (Frontenac): Is section 40 very long? If not, I would ask the Solicitor General to be good enough to read it.

Mr. CANNON: I wish hon. members to bear in mind that if we should pass this bill section 40 remains untouched. What does section 40 say? It reads:

Whenever any person, other than a Canadian citizen or person having Canadian domicile shall be found an inmate of or connected with the management of a house of prostitution, or practising prostitution or who shall receive, share in, or derive benefit from any part of the earnings of any prostitute or who manages or is employed by, in, or in connection with any house of prostitution or music or dance hall or other place of amusement or resort habitually frequented by prostitutes, or where prostitutes gather, or who in any way assists any prostitute or protects or promises to protect from arrest any prostitute or who shall import or attempt to import any person for the purpose of prostitution or for any other immoral purpose, or who has been convicted of a criminal offence in Canada—

Any of these things.

—or who admits the commission prior to landing or entry to Canada of a crime involving moral turpitude, or has become a professional beggar or a public charge or practices polygamy, or has become an inmate of a penitentiary, gaol, reformatory, prison, asylum or hospital for the insane or the mentally deficient, or an inmate of a public charitable institution, or enters or remains in Canada contrary to any provision of this act, it shall be the duty of any officer cognizant thereof, and the duty of the clerk, secretary, or other official of any municipality in Canada wherein such person may be, to forthwith send a written complaint thereof to the minister, giving full particulars.

I call the attention of the member for Frontenac (Mr. Edwards) to the words:

—or enters or remains in Canada contrary to any provision of this act.

This means that, according to section 3, any persons who belong to the prohibited class enumerated in clause 3, even though they have entered Canada, even though they may be in Canada, fall under section 3 of the act, and they would be in Canada against the provisions of the act, and would therefore be liable to be dealt with under section 40. I think, Mr. Speaker, that section 40 gives the power to deal with all cases under normal conditions. Section 41, I understood, was brought into our law under exceptional conditions, with which I do not wish to deal.

Mr. STEVENS: No, it was amended only. It was brought in in 1910.

Mr. CANNON: The section as it stands to-day is the section enacted in 1919.

Mr. STEVENS: Amended only.

[Mr. Stevens.]

Mr. CANNON: In 1919 section 41 was introduced in parliament. I do not wish to discuss the question whether the government of the time was justified in introducing it or not. These events are now past, and I do not wish to re-open the debate upon them.

Mr. EDWARDS (Frontenac): I was seeking to find out whether, after the repeal of this section, there would be anything left in the act by which you could get after those who are referred to as undertaking to break down constituted authority, and that sort of thing.

Mr. CANNON: Has the hon. member the act before him?

Mr. EDWARDS (Frontenac): No.

Mr. CANNON: I ask my hon. friend to refer to clause 3 of the act, paragraphs (n) and (o), which read as follows:

(n) Persons who believe in or advocate the overthrow by force or violence of the government of Canada or of constituted law and authority, or who disbelieve in or are opposed to organized government, or who advocate the assassination of public officials, or who advocate or teach the unlawful destruction of property.

These people can be dealt with under section 40. Then paragraph (o) reads:

(o) Persons who are members of or affiliated with any organization entertaining or teaching disbelief in or opposition to organized government, or advocating or teaching the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers, either of specific individuals or of officers generally, of the government of Canada or of any other organized government, because of his or their official character, or advocating or teaching the unlawful destruction of property.

I think I am justified in concluding that even though section 41 be repealed, we have provisions in the law which would enable the government to deal with all these cases in a very satisfactory way. My interpretation may be questioned, but in order to relieve the minds of hon. gentlemen opposite, I will quote the opinion of the hon. member for West Calgary. When this legislation was considered last year I took part in the debate, the Minister of Justice (Mr. Lapointe) being present. I would call the attention of the hon. member for Vancouver Centre particularly to this because I know he has great confidence in the hon. member for West Calgary as a lawyer.

Mr. STEVENS: He is usually right.

Mr. CANNON: This is what took place:

Mr. Cannon: Section 40 covers the case.

That is what I argued last year and it is what I am arguing now.

Mr. Lapointe: I agree that section 40 would cover the case, and the only purpose of the bill would be to repeal section 41.

Mr. Bennett: The new section is of no value at all.

Mr. STEVENS: Is that a question?

Mr. CANNON: No, it is a statement from the hon. member for West Calgary who was heard in the House this morning denouncing this bill in such violent terms and asking hon. members to reject it on the ground that it would mean the overthrow of any form of decent government and of democracy in Canada. Last year, however, he declared that section 41 was of no value at all. I leave the bill in the hands of the House confident that, in view of the advice given by the hon. member that section 41 is of no value at all, hon. gentlemen will accept the amendment.

Hon. E. B. RYCKMAN (East Toronto): I am driven to my feet by the observations of the Solicitor General (Mr. Cannon) who has taken this opportunity of discussing the subject in the absence of the hon. member for West Calgary. I had not before heard of this statement attributed to the hon. member for West Calgary when the bill was under consideration on a former occasion. Anyone who has listened to what has just been read by the Solicitor General must come to one of two conclusions—either that the statement that section 41 was of no value at all is an interrogation, or that it was made upon the understanding that the former section 41 was to remain in the act.

Mr. CANNON: To be fair to the hon. member for West Calgary, I wish to add that after we had reached that conclusion we decided upon the section as now drafted and it met with the hon. gentleman's approval.

Mr. RYCKMAN: I cannot speak as to that. It is plain that the act as drafted this year is in different terms from the act of last year, and the assumption I had in mind when I first saw the bill was that section 41 of the Immigration Act of 1910 would be restored and become operative. It is however obvious that, if this amendment of 1919 is withdrawn, section 41 of the Immigration Act also disappears. I do not think there need be occasion for any difference of opinion with regard to what is stricken out of the law if this bill passes, but I want to call the attention of the House to the situation, which can be stated very tersely. Whether or not it is a corollary of what took place at the Imperial conference I do not know, but it seems that the Prime Minister and the government are now satisfied that while the immigration authorities shall retain the power to exclude from Canada or to deport any one who advocates the overthrow of the government of this Dominion, if he advocates the overthrow of the government of Great Britain he shall not be subject to exclusion or deportation. In other words, we can protect our own government but we are entitled to prevent any man from advocating the overthrow of the government of Great Britain or, say, of Australia. We are certainly enjoying our status to the full.

Mr. CANNON: My hon. friend has not read the law.

Mr. RYCKMAN: If the Solicitor General will pardon me, I will come to the point he has in mind. By this legislation, I say, we can protect ourselves. We can take by the scruff of the neck, if I may use that expression, and throw out of the country any man who advocates or proposes to advocate the overthrow of the government of Canada, but he may advocate with impunity the overthrow of the government of Great Britain and enter the country. I know that the Solicitor General will refer me to the words "constituted authority"; the act provides that we may deal with any one who proposes to attack constituted authority. But what does that mean? How is it interpreted? It is interpreted in the context in which it is found: it is not constituted authority in any other place than Canada. Would the Solicitor General say that the constituted authority of the Fiji islands was protected by this provision? Of course not. Nor can you say that the constituted authority of Great Britain is protected to any greater extent.

Mr. CANNON: I did not mention constituted authority alone; I read the law as it is.

Mr. RYCKMAN: Organized government.

Mr. CANNON: The law says, "any government of Canada or any other organized government". That includes the government of Great Britain.

Mr. STEVENS: Read beyond that clause; that refers only to the assassination of officials.

Mr. RYCKMAN: I suggest that before the Solicitor General attempts to interpret the law in relation to this most important subject, he should read it.

Mr. CANNON: I have read it; I have read more of it than my hon. friend.

Mr. RYCKMAN: I say now to the Solicitor General that the part of the section he has read does not refer to constituted government, other than the government of Canada, except in connection with the specific purpose mentioned. Now this is the legislation which the Prime Minister is asking us to pass. I am absolutely opposed to it. There is no country we admire anywhere on the face of the globe which has not the right to forbid the entry of undesirable immigrants who show anarchistic tendencies. What does Great Britain do? At the Channel ports there are two officers of Scotland Yard who inspect passengers as they land, and if there is anyone whom they suspect of harbouring such tendencies they ask him to justify himself; otherwise they put him back on the boat and deport him. And there is not an hon. member who will not approve of that course. The Solicitor General says that we control our immigrants. Of course we do. But unless we retain the provision which it is now being sought to repeal we have no control over the man who comes with a passport and who we know is seeking to destroy the constituted authority of Great Britain. That I submit is a privilege we do not wish to forego. And I for one stand resolutely for it. The Solicitor General referred by way of contrast to a Doukhobor and to British citizens. And who was the Doukhobor to whom he referred? It was a Doukhobor who had been crowned with Canadian citizenship, and the hon. member compared him to a British subject who had no Canadian citizenship. I say that this parliament gives credit to the man who has Canadian citizenship, no matter where he was born or what his extraction. That is why there is this distinction.

Mr. DUNNING: Does my hon. friend mean that I am not a Canadian citizen? He draws that distinction between a British subject and a Canadian citizen, and says that a Canadian citizen has greater rights than a British subject.

Mr. RYCKMAN: I say that a Canadian citizen has greater rights in Canada than some British subjects.

Mr. DUNNING: We do not think so. I would like the opinion of the hon. member for Vancouver Centre (Mr. Stevens) on that point.

Mr. CANNON: My hon. friend is a lawyer. In order to complete his argument will he point out by what method a British subject born in England would acquire Canadian citizenship?

[Mr. Cannon.]

Mr. DUNNING: Yes; how can I become a Canadian?

Mr. CANNON: How can he do it? My hon. friend is a lawyer.

Mr. EDWARDS (Frontenac): Behave yourself for a while.

Mr. DUNNING: It is hard to do with this kind of talk.

Mr. CANNON: Answer my question.

Mr. RYCKMAN: Give me time, and you will very soon get an answer. I will tell the House what a Canadian citizen is, and I will tell the Solicitor General that when he was objecting to what the hon. member for Vancouver Centre had said he did not read everything. The hon. member for Vancouver Centre (Mr. Stevens) read one section; the Solicitor General read the next section, but he did not read the third section. Why did he not give the whole interpretation of "Canadian citizen" as set out by the act? Let us have the whole thing read.

Mr. CANNON: I will say one thing to my hon. friend in order that we may not disagree further. If he wants to argue fairly I will do so, but if my hon. friend does not want to be fair I will not discuss it at all. I have been fair all through with my hon. friend from Vancouver Centre, and I am not used to these methods.

Mr. RYCKMAN: I have no quarrel except with the argument of the Solicitor General. I certainly desire to be fair and I want to read everything that is included in the definition of a Canadian citizen, which has not yet been given to the House. A Canadian citizen means a person born in Canada who has not become an alien; that was read by the hon. member for Vancouver Centre. Or a Canadian citizen means a British subject who has Canadian domicile; that was read by the Solicitor General.

Mr. DUNNING: Then I am all right.

Mr. RYCKMAN: In that one particular you are all right. The part which was not read says that a Canadian citizen is one naturalized under the laws of Canada who has not subsequently become an alien or lost Canadian domicile.

Mr. STEVENS: Now read the definition of "domicile".

Mr. RYCKMAN: That is the whole of that definition.

Mr. CANNON: If my hon. friend will allow me, these are very complicated matters.

Mr. RYCKMAN: I was saying, Mr. Speaker, that if this bill passes it will be possible for men to land on our shores for the purpose of attacking the British Empire and the overseas dominions, and to carry on their machinations here. Section 40, the prostitution clause as I call it, does not cover this case, and no man of repute on either side of the House will say that it does. I submit, Mr. Speaker, that an unfair tone has been given the discussion by the introduction of a slogan which has been uttered more than once; "Oh, deportation without trial is not right". We have the privilege, which I think the Solicitor General will not deny, of turning back an immigrant who desires to land or who may even have his feet on our shores, because he is not desirable. That is deportation without trial. No man values more than I do the necessity of giving a fair trial to any Canadian citizen within our shores who has offended against the law or who is supposed to have offended in that way. He is entitled to that, even though it puts the country to an expense which sometimes is very heavy; that is quite proper. It certainly is not proper, however, that the machinery of our courts should be called upon at such expense to try men whom we know come here determined to destroy the government, anarchists and such like, instead of building up constituted authority throughout the world.

Mr. WOODSWORTH: Would the hon. gentleman say which is the most serious, to attack the British Empire or to attack British rights?

Mr. RYCKMAN: I must frankly admit that I do not understand the question, because British rights are not available to the man who comes here seeking to destroy British authority; the House will admit that. There was a member of the British House of Commons, a man named Saklatvala, who admitted that he was against all constituted authority unless perhaps a soviet might be termed such. He sought to enter the United States; he was a man of ability and a member of the British House but his views were well known and he never got beyond Ellis Island. I do not think more than a dozen members of this House would say that he had a right to get any further. These problems will confront us, and we must be able to deal with them; we must deal with them as Great Britain does. When an anarchist is found seeking entry into Great Britain, Scotland Yard is there to send him right back; he has no chance and is not entitled to one. British law everywhere gives a Britisher or any decent foreigner a chance to establish his rights, but when they know a man has denied himself the privileges of a British citizen, then he does not get anything but short shrift. That is the essence of British law.

Mr. WOODSWORTH: May I ask if Scotland Yard was on hand to send Saklatvala back to India?

Mr. RYCKMAN: If the hon. member had been listening he would have heard me put the locale as Ellis Island; the United States sent him back.

Mr. WOODSWORTH: But did Scotland Yard immediately ship this man back to India?

Mr. RYCKMAN: He was dealt with by the immigration authorities and got no further than Ellis Island. He had no chance to spread his propaganda in the United States, and we ought to put ourselves in the same position. Anyone who wants to indulge in propaganda against Great Britain and her people should not be allowed to come into the country, which is a part of the British Empire.

Mr. CANNON: Was that gentleman allowed to enter England on his return? When he was sent back from Ellis Island did they permit him to enter England?

Mr. RYCKMAN: I presume he was as a British subject. And I want to tell hon. gentlemen that a Canadian citizen, who was born in this country and has lived here, or a Canadian citizen by naturalization, is entitled, if he leaves Canada, to come back to it from any quarter of the globe, unless he has broken the laws of the land.

Mr. WOODSWORTH: May I suggest that Mr. Saklatvala was not born in England, he was born in India.

Mr. RYCKMAN: But he was a British subject.

Mr. POULIOT: Is the hon. gentleman suggesting that we should change our law and adopt that of the United States?

Mr. RYCKMAN: I prefer not to answer questions put by the hon. member for Temiscouata always under great heat.

I shall not detain the House further. I think that at this time it would be improper to cut out this section in the wholesale way that is proposed. I think the majority of this House are of one mind. We want to give fair treatment to everyone but we do not want to discriminate at the present time—especially so soon after the Imperial con-

ference of which we have heard so much—against other portions of the British Empire. That does not comport with our new status, it does not conduce to inter-imperial good will and inter-imperial relations. I ask the House to consider this question, and that each member put it to himself: is he prepared to allow our immigration authorities to say to the man who is plotting against the government of Canada "You cannot come in, but if you are plotting against the government of Great Britain you can?"

Hon. HUGH GUTHRIE (Leader of the Opposition): Before this motion is carried there are one or two things I should like to point out. The Immigration Act which obtained in this country in 1910 was one which was passed by this parliament at a time of peace. We had no difficulties of any kind in Canada, and we had no difficulties in foreign countries. If I remember correctly, the bill of 1910 passed this House without arousing opposition and, I think, without division. My right hon. friend the Prime Minister was in the government of Sir Wilfrid Laurier at that time, the government that passed the act. I think he occupied at that time the position of Minister of Labour. I too was a supporter of the bill of 1910 and I think it was generally supported in the House and in the country. Now that act had been in force—there may have been some amendments to it, but I do not think there were any—until the year 1919 when, on account of the circumstances in which we found ourselves at the end of the war, it became necessary to enact provisions more drastic than ever had been in the act of 1910. Sections 40 and 41 which appeared in the act of 1910 reappeared in the act of 1919 but in different form. They were amplified, they were made broader in their application in many ways. It was thought well by the parliament of that day to do this owing to the peculiar circumstances in which we found ourselves at the time of the great conflict and which were so well described to the House to-day by my hon. friend from St. Lawrence-St. George (Mr. Cahan). However, several years have passed since the year 1919. I do not pretend to say that the situation in Canada to-day resembles in any respect the situation which existed when the act of 1919 was passed. But I do say that the situation which exists in Canada to-day very much resembles the situation which existed in 1910 when the Immigration Act was passed. Now that act worked well. It would work well to-day. Why not settle this dispute by reverting to the provisions of the act of 1910? In my judgment it provided all the safeguards necessary then. It would provide all the safeguards necessary to-day. But I am going to point out this fact just here. My hon. friend the Solicitor General has entirely misapprehended the effect of the present act, that is the act of 1919, which the government seeks to repeal by this bill. He has misapprehended the meaning of the sections which he read to the House a few minutes ago. He only read part of those sections. I maintain that in section 41 of the act of 1919 there are provisions which will not appear in our immigration law if that section is repealed. There was a difference of opinion between my hon. friend and the hon. member for East Toronto (Mr. Ryckman) a moment ago, and it merely involved the single question as to whether subsections (n) and (o) made provision against persons who attempted crimes against the government of this country, and possibly of other countries. It will be remembered that section 41 does make such provision. Section 41 is a very broad and comprehensive section. It provides:

(1) Every person who by word or act in Canada seeks to overthrow by force or violence the government of or constituted law and authority in the United Kingdom of Great Britain and Ireland, or Canada, or any of the provinces of Canada, or the government of any other of His Majesty's dominions, colonies, possessions or dependencies, or advocates the assassination of any official of any of the said governments or of any foreign government, or who in Canada defends—

And so on. I do not need to read the balance of the section. Now if that section is repealed we are left then to subsections (n) and (o) of section 3 of the act which deal with prohibited classes subject to deportation. Now what does subsection (o), which my hon. friend the Solicitor General read, say? It says:

Persons who are members of or affiliated with any organization entertaining or teaching disbelief in or opposition to organized government,—

It merely applies to the assassination of the officers of the government of Canada, or the officers of any other organized government. The section we propose to leave includes the government of this country and the governments of other countries.

Mr. CANNON: I also read subsection (n). That is only subsection (o).

Mr. GUTHRIE: It was the other subsection which my hon. friend read.

Mr. CANNON: I read the two, subsections (n) and (o).

Mr. GUTHRIE: I am taking the clause which my hon. friend did not read.

Mr. CANNON: I read the two.

Mr. GUTHRIE: Well now, you can follow me but you cannot interrupt me.

Mr. CANNON: Yes but my hon. friend must be fair in his statement as to what I read.

Mr. GUTHRIE: Subsection (n) provides:

Persons who believe in or advocate the overthrow by force or violence of the government of Canada or of constituted law and authority, or who disbelieve in or are opposed to organized government, or who advocate the assassination of public officials, or who advocate or teach the unlawful destruction of property.

Now section 41, which this bill seeks to repeal, provides not only for the officials and for the government of Canada, but likewise for the government of Great Britain and of every British dominion and colony and constituted government in other countries of the world. It is a much broader section, anyone can see that at a glance, and if it be repealed all we have left then are subsections (n) and (o) of section 3 dealing with prohibited classes. I do not argue for a moment that at this time there is any necessity to maintain in its integrity section 41 as passed in 1919. But I do maintain—and I submit it with some confidence to my right hon. friend the leader of the government—that the section in the act of 1910 was an admirable section. If in its application to the citizen of Canada it is not definite enough, let us change it. But is it not sufficiently definite? It reads:

Whenever any person, other than a Canadian citizen, advocates in Canada—

And so on. A Canadian citizen is defined in that act by section 2, subsection (f) as follows:

"Canadian citizen" means a person born in Canada who has not become an alien, a British subject who has Canadian domicile, or a person naturalized under the laws of Canada and who has not subsequently become an alien or lost Canadian domicile.

Canadian domicile is not described in the act of 1910, it is in the act of 1919, and if the clause in the latter act is suitable to present conditions—and I submit it is—let us place it in the act of 1910. Then what does it mean?

"Canadian citizen" means a person born in Canada who has not become an alien; a British subject who has a Canadian domicile—

Now apply the domicile clause to the act of 1910, and after five years you have Canadian domicile. Let us revert to the 1910 act. Its provisions are sound. They were in operation up to 1919. No difficulty arose under them: they protected the government of Canada. Up to the war we had peace and good order in this country. What the object is now of blotting out section 41 without substituting some similar section, I cannot understand. I am perfectly ready to accept the law of 1910 as set out in section 41, which was probably drafted by my right hon. friend, because I know the Labour department at that time had a great deal to do with the act. Let us adopt that, and if it is deemed proper, extend the meaning of "Canadian citizen" to a British subject who has had a Canadian domicile for five years. I submit that ought to settle this whole discussion. It would satisfy me. But I do not agree that the whole clause should be struck out and nothing put in its place.

Mr. H. B. ADSHEAD (East Calgary): Mr. Speaker, I had not intended to take any part in this debate, but as I happen to be one of the "imported" kind, referred to by my hon. friend from Toronto, one of those individuals who would be liable to deportation under the act of 1919, if I happened to rebel against so-called constituted authority, I am going to make a few observations.

There seems to be a great fear in the minds of hon. members to my right that the British Empire is crumbling. They seem to be afraid that by a conspiracy of bolshevism or sovietism, something of that sort, the loyalty of this Dominion may be undermined. I think they have very little faith in the principles which underlie the British Empire. Those principles are not necessarily enshrined in stately buildings and coats of arms. The principles of the British Empire, to my mind, will last whatever happens. I think Lord Macaulay upon one occasion said: "The time may come when perhaps a single naked fisherman may wash his nets in the river of a thousand masts." No doubt he was referring to the time when, perhaps, even London would cease to be the capital of the British Empire, and the stately buildings of Westminster and the tower might crumble. But the principles of the British Empire will never perish, and I think my friends have very little faith in the British Empire when they seek to support it by such very little things as the maintenance of this legislation of 1919.

A good deal has been said about constituted authority. I am, I hope, a supporter of constituted authority. But I would refer my friends to my right, and especially my friend from Frontenac-Addington to the historic fact that the whole tenor of British constitutional

development has been rebellion against constituted authority. What happened in King John's reign when the constituted authority was the king? Was it not a rebellion of the barons and others against constituted authority which won us Magna Charta?

Mr. STEVENS: No, the king violated constituted authority, and he was set right.

Mr. ADSHEAD: But if I said anything against the present king I should be liable to arrest. What happened to King Charles? Cromwell took up arms against constituted authority. As I said to my friend from Frontenac, what happened in the particular organization of which he is the head? The constituted authority of Great Britain at that time was King James the Second, and by organized force they put him off the throne and established the present constitution by rebellion against constituted authority. So we find the whole force of British liberty has been gained by opposition to constituted authority, I might go a step further. The grandfather of the Prime Minister rebelled against constituted authority, and a price was set upon his head. If he were living to-day I suppose he might have been deported, but he is one of the heroes of Canada, one of those who won for us constitutional government.

Mr. MACKENZIE KING: Let me correct my hon. friend. He says there was a rebellion against constituted authority. It was a rebellion against authority that was not properly constituted.

Mr. ADSHEAD: At the same time, he was regarded by those who had authority in their hands as a rebel against constituted authority, and probably the Immigration department would have deported him under such legislation as that of 1919. I am not so sure that even in this House the members to my right would object to overturning constituted authority and putting themselves on the treasury benches.

Mr. STEVENS: Not by force, violence murder, rape.

Mr. ADSHEAD: My friends who are so afraid that the British Empire is going to crumble into the dust are strongly opposed to any amendment of the 1919 act. Let me tell them that every time these so-called conspirators from Russia—that terrible country!—come to Canada or get in touch with the people of Canada, they at the same time get in touch with the principles underlying the British Empire, and they have gone back to Russia convinced that those principles are sound, and express the fullest freedom that can be found under any constitutional government. Therefore I shall support this measure in order that we may have a little more of that freedom granted by the British Empire.

Hon. J. W. EDWARDS (Frontenac-Addington): Like the hon. gentleman who has just taken his seat (Mr. Adshead), I had no intention of speaking on this matter, and I can assure you, Mr. Speaker, my remarks will be very brief indeed. The finest advertisements we have ever had for the greatness of this Dominion and of the possibilities it offers to the right kind of men are to be found in the persons of the Minister of Railways and Canals (Mr. Dunning), the Minister of Immigration and Colonization (Mr. Forke), and other gentlemen who have come to this country and made their way to the top of the ladder. That is the kind of people we want. I am the son of an immigrant who came to Canada in 1837. There was no trouble about those gentlemen. They will not be deported so long as they behave themselves—even as well as they have to date! Their conduct along certain lines has been somewhat doubtful—at least, from the standpoint of this side of the House—but not against constituted authority.

Mr. DUNNING: I was pretty hard on the Meighen government last summer.

Mr. EDWARDS (Frontenac): Well, that is a sin you will have to answer for some day, but it is only one of many.

I just want to refer now to one or two remarks that were made by the hon. member for East Calgary. He is one who has seen fit to leave the old country and come to Canada, to the old country's loss and Canada's gain, we will all agree. He says that if the law is not changed he might as one coming from the British Isles be deported if he happened to rebel. Well, Mr. Speaker, if he happens to rebel, if he has any such notion as that in his mind, I want to tell him that he ought to be kicked out of this country. We do not want him here if he has that idea, even though he is a British subject. There are classes of British subjects that we do not want in this country at all, that we are better off without, and people who imagine just because they were born under the British flag that they can come to Canada and have license to misbehave themselves, have to be taught that we do not want them here, and we should deport them just as quickly as we would if they came from continental

Europe. We do not want that class here at all.

I do not think the hon. gentleman was very happy in his reference to what he called so-called constituted authority in Canada. There is no such thing as so-called constituted authority here. Authority is well constituted in Canada, and there need not be any doubt at all about it. Nor was the hon. gentleman quite happy in his references to King John and King Charles. The people who were rebelling at that time were not rebelling against constituted authority. It was the kings who had utterly disregarded the laws of the land and had thrown them into the discard, and it was because the kings had over-ridden the law that the people rose in their might to put them in their place. Still less was the hon. gentleman happy in his reference to King James, for he utterly disregarded the rights of the people and the laws of the land, and it was because of that that he was deposed and that King William took his place. The people were behind him not merely because of the man but because of what he represented, just as they were behind Magna Charta which brought King John to his senses and forced him to have regard for the law which he had utterly disregarded.

Mr. WOODSWORTH: Is it not in the Magna Charta that all Britishers should have the right to trial by jury?

Mr. EDWARDS (Frontenac): That is all right, and Britishers as a rule do have the right to trial by jury, but Magna Charta was only one step in the development of freedom, and further acts were passed as the years went by. It is because there has been a disposition shown in this country, and no one should know it better than the hon. member for Winnipeg North Centre (Mr. Woodsworth), to disregard constituted authority that we have to pass such an act as we passed in 1919. I am perfectly satisfied with the act of 1910, but it was perhaps because of the riotous proceedings that took place in the city of Winnipeg that this section was passed. I do not wish to say what was the attitude of the hon. member for Winnipeg North Centre at that time, but there was a disposition on the part of certain people in the city of Winnipeg who had come from other countries of the world, and some of them from Great Britain, to undertake to break down constituted authority and set up a government of their own in the city of Winnipeg. They even went to the extent of depriving the people, the little children and babies, of the milk that they required to keep soul and body together. They carried on their nefarious work to that extent, thereby giving us an inkling of what that kind of people would do if they were given a free rein. When it comes to dealing with people of that kind, it does not make a particle of difference whether they come from continental Europe or the British Isles, if they have that disposition of mind that they are going to come to this country and be a law unto themselves, and set up a government to suit themselves, I for one would be among those who would kick them out of this country and tell them to stay out, for we do not want them here whether they were born under the British flag or any other flag.

Mr. WOODSWORTH: I would like to think that the hon. gentleman wants to be fair in this matter. Might I ask whether he would not first definitely try to ascertain whether the charges against these men were true or not?

Mr. EDWARDS (Frontenac): Machinery is provided in the act of 1910 sufficient for that purpose. I think a certain amount of latitude should be given in this matter of deportation. We do not want every Tom, Dick and Harry coming to this country and preaching sedition and being able to say "The worst that can happen me is to be hauled before the court, and that will take weeks and months, and in the meantime I shall be a sort of hero in the land, and my brethren who want to see this sort of propaganda carried on will raise a purse to pay my fine, and arrange for someone else to take my place." If he goes on advocating that kind of thing long enough he might even be sent to parliament to propagate the same kind of idea. We do not want that class of people here at all. We do not want them in parliament or in this country. Let them stay out of here. They deport them by the thousand from the United States without trial. They deport them from England without trial, and from all countries of the world. The liberty we enjoy under the British flag is a grand thing, a wonderful thing, but there are too many people in this country who want to substitute license for liberty, and who would carry their ideas of liberty so far that they would not allow any freedom to anyone else whose views did not coincide with theirs. They would even go to the extent that they did in the city of Winnipeg, taking possession of the city and putting up a government of their own.

We want immigrants in this country, we want more population, but we are not so hard up for immigrants that we can afford to open our doors to people who have no regard whatever for law and order, and who will set up their own government and advocate laws to suit themselves regardless of constituted authority and the laws of the land. The people who come to this country, no matter whether they come from continental Europe or the British Isles, should be taught the lesson, and we cannot begin to teach it too soon, that they must leave on the other side of the water these revolutionary and radical ideas which many of them bring with them to Canada. If people want to leave their own country because they do not like conditions there, and want to make a new home for themselves in Canada, let them come to Canada, but not with the idea that they are going to transplant to our soil the very conditions which they found intolerable in the country they left.

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): Mr. Speaker, I only want to say a word or two. This subject is naturally very close to the hearts of those of us who were born in Great Britain. We are no more responsible for that than the hon. member for Frontenac-Addington (Mr. Edwards) is responsible for having been born in Canada. I appreciate very much the kindly references he made to myself and others of us who happened to be born overseas. The reason I support this measure is because it eliminates any possibility in future of discrimination as between the treatment of Canadian citizens who happen to be born here and Canadian citizens who happen to be born in other parts of the empire, more particularly the British isles. The difficulty was well illustrated by the remarks of my hon. friend from East Toronto (Mr. Ryckman) when he drew an important distinction between the position of a Canadian citizen, one born in Canada, or naturalized in Canada, and one born in Great Britain. To my mind, at this time in our history particularly, when we are endeavouring to persuade people in the old land to come and take advantage of the opportunities which exist here, it is very unfortunate for anything to be said in this parliament which would indicate that a British citizen born in Great Britain, coming to Canada, would have any less rights than a Canadian born in Canada, or a man coming from another country and becoming naturalized here.

[Mr. J. W. Edwards.]

Mr. STEWART (Leeds): Would the authorities in Great Britain not have the right to deport a Canadian citizen under similar conditions?

Mr. DUNNING: I cannot answer the question, so far as my knowledge of British law is concerned. But if I were a Canadian citizen in England, knowing what I know of the English law—and it is not very much—I am pretty sure that machinery exists in England to enable me to get a fair trial there. I would be very much surprised indeed to find that a hand could be placed on my shoulder, and I, a British subject, could be hustled out of Britain without an opportunity for a trial. There must have been a great many changes in recent years if such a thing is now possible. In any case I do not see why, because I was born in England, I should be denied a trial in Canada if I am accused of some offence against constituted authority, while my hon. friend from East Toronto because he was born in Canada has the right to a trial. That is the point which worries me—not that I am standing up for those who would take action by means of force or anything of that kind. But if I, born as I was in the old country, can be kicked out of this country without a trial as is suggested, I see no reason why Canadian-born citizens should not be kicked out of this country summarily in the same manner. But in such a case there is no place to send Canadian-born people. The reason such a thing was not proposed in the original bill of 1919 is that there was no other country to which to send them. But I submit to this House that it would be quite as justifiable to send Canadian-born citizens to gaol without a trial for such offences as it would be to throw me out of the country for a similar offence. It is just a question of the nature of the punishment. The nature of the punishment in one case is deportation, and in the other imprisonment. In the one case the man cannot be imprisoned without a trial, and in the other case the man can be deported without trial, both being British subjects, one happening to be Canadian-born and the other British-born.

Mr. RYCKMAN: The Solicitor General referred to the case of a man born in Canada who had acquired Canadian citizenship and that of a man born in the British isles who wanted to be naturalized here. I merely wanted to emphasize what I value, namely Canadian citizenship. We have raised the Doukhobor to Canadian citizenship, and he is entitled to a superior status because he is a Canadian.

Mr. DUNNING: If my hon. friend is arguing that the Doukhobor, who is raised to Canadian citizenship by virtue of naturalization, is entitled to more rights and privileges in Canada than a British-born citizen, I dispute that proposition.

Some hon. MEMBERS: No, no.

Mr. DUNNING: That is the impression his statement created in my mind.

Mr. ARTHURS: How many years must a foreigner be in Canada before he can be naturalized? Under the act a British citizen is deportable only if he has been in the country less than five years.

Mr. CANNON: No, no time at all.

Mr. DUNNING: I am not going to quarrel about what the law means, but if it means what the public in Canada have been led to believe it means, and what the hon. member for West Calgary (Mr. Bennett) and the Minister of Justice (Mr. Lapointe) both agreed last session it did mean, as evidenced by the concluding remarks in Hansard, where they both agreed that it was desirable that the bill before the House should be passed to eliminate that condition, then I am desirous of having this bill passed in order to eliminate that species of discrimination, which I feel sure is distasteful to all Canadians whether British-born, native-born or naturalized. Surely we have, or we can devise, machinery in this country that would not mean discriminatory treatment as between British subjects born in Great Britain and those who happen to be born in Canada or naturalized here.

Mr. STEVENS: On that point, does the minister not know that under subsections (n) and (o) of section 3 of the existing act, independent altogether of the 1919 act, these people who come from Great Britain may be deported within five years after their domicile in Canada without trial under the existing law which the government is now administering? I merely cite that to show my hon. friend's argument is not sound.

Mr. DUNNING: I am very much astonished to find that there is some new law on this subject this year, as compared with last year.

Mr. STEVENS: No.

Mr. DUNNING: Last year there was agreement finally as to the form which this bill should take to remedy what was admitted as discriminatory treatment.

Mr. STEVENS: Which we agree to, if the minister will agree to the restoration of the provisions of the act of 1910.

Mr. DUNNING: With very great deference to my hon. friend, while I have not much use for lawyers generally, in cases of this sort I must take my legal advice from the Solicitor General or the Minister of Justice. Last year the Minister of Justice, dealing with this very matter, at page 4120 of Hansard, said:

> But we must keep the bill in order to repeal section 41. I am quite willing to agree with the hon. member for West Calgary (Mr. Bennett) to allow the bill to read:
>
> Section 41 of the Immigration Act, chapter 27 of the statutes of 1910, as enacted by chapter 26 of the statutes of 1919, is repealed.
>
> The rest is certainly covered by section 40.

That is the end of the quotation from Mr. Lapointe's remarks. Then I read the following from Hansard:

> Mr. Bennett: That is my view.
>
> Mr. Lapointe: I am quite agreeable if the Minister of Immigration is willing to do that.
>
> Mr. Stewart (Edmonton): I am always willing to take the word of the Minister of Justice.

Apparently the difficulty raised to-day was non-existent at the conclusion of the discussion last year. For my part I do not want to change my legal adviser every year. I want my position to be clear. I am satisfied with the bill, which is the same as last year. I am not at all sure where the legal complications suggested by my hon. friend would lead to, and for that reason I am supporting the bill.

Mr. T. L. CHURCH (Toronto Northwest): I did not intend to take part in this debate, but I come from an industrial centre and would like to say a word or two.

I do not think this bill is in the public interest, but the government of the day must take the responsibility. It must be apparent to every thoughtful man in this country that we have had for a considerable period a certain amount of prosperity in the industries of the country, and I fail to see where there is any demand for an amendment such as is proposed.

Section 40 of the Immigration Act provided for the deportation from this country of certain classes of people. That provision was in force for a good many years. It was a good law; it was supported by judges and magistrates, and it was found to be efficient. Under section 40 there was no trial by jury and the minister had the power to deport anybody for offences under that section, without trial, on the recommendation of the

magistrate or judge. In 1919 there was a great deal of industrial unrest in Canada and, just as in Australia and the United States as well as in England, it was found necessary to pass such legislation as is contained in section 41. Up to that time there had been no suggestion of any trial by jury. Ninety-nine per cent of the cases of deportation occurred under section 40. In 1919 a new act was passed to deal with a large class of persons who might be described as anarchists and red flaggers from the old country and from Europe. These people came over to Canada for the purpose of creating disturbance and indulging in agitation and strife. Under section 40, as I say, no trial by jury was provided because the minister could act of his own volition. Now if you repeal section 41 the minister will be deprived of the right to deport an undesirable except after trial, even though such deportation may be recommended by a police magistrate or by a judge.

There is absolutely no demand for this legislation; it is opposed by the chiefs of police in the large centres of population throughout the country. And let me say that the chiefs of police are responsible for the administration of law and order and not my hon. friend the Solicitor General. The authorities in England have taken a firm stand against the repeal of similar legislation in Great Britain, for they regard it as of a vital importance to the maintenance of peace and order. Do we want Canada to become like continental Europe? Do we want to allow anarchists to come into this country and stir up strife? Instead of loosening up the regulations the government should tighten them, as they have done in the United States. No agitator can create strife in the United States, as is done in Winnipeg and in Nova Scotia, without being deported. The Harding administration, when they discovered that native born Americans were likely to be outnumbered by immigrants, adopted what is known as the quota law, under which many Canadian soldiers are being sent back to this country. Drastic measures are also being adopted in Australia. An effort has been made there to remove some of the restraining regulations in that country, but the movement is being strenuously opposed. The Australian government has declared Australia to be a white man's country and the intention is to keep it so. An election there over this very question was decided in favour of the Right Hon. Stanley Bruce who is determined to put down agitation. If we repeal section 41 we are simply making Canada the happy hunting ground for anarchists and political agitators, a haven of rest for the reds and for all disturbers of the peace who claim to be victims of political persecution.

Who is asking for this amendment? We have heard from the former Premier of Saskatchewan. But does he speak for the people of Ontario? The people of Ontario do not want the law changed; their desire is to have the regulations kept as drastic as possible. I repeat, there is absolutely no demand for this legislation. It is opposed throughout the country. Section 41, I may point out, applies only to those British born citizens who have not been in the country more than five years; if they have been resident here longer than that the section does not apply. I venture to say that ninety-nine and three-quarters per cent of the British born in Canada are not affected by this law, and as to the other small minority of less than 1 per cent, are we going to open our doors to agitation and anarchy, a tendency towards which we have witnessed in Winnipeg and Nova Scotia? To-day there are in some of our large cities schools established especially for the purpose of teaching, on Sundays, communism and propaganda against the British Empire and British institutions. Why should we allow that element to come into the country? I cannot understand it. We were told last night that the government had no time to think of amending the Pensions Act or of introducing any legislation for the benefit of returned men, but apparently there is a good deal of time for the introduction of legislation, the object of which is to make easy the path of the agitator and the red flagger, the anarchist and the communist, and to give them privileges which this country would never before have dreamed for a moment of extending to them —privileges which certainly would not have been given in the days of Laurier or of Sir John A. Macdonald. I believe the time is coming when the people of Canada will protest in no uncertain terms against legislation of this character. The Canadian people will demand that Canada be preserved as a white man's country, and if there are any anarchists who do not like the country the best thing for us to do is to deport them as expeditiously as possible. The sort of people who would be protected by this legislation get no consideration at all in Germany, Austria, Prussia or any of those places, where there is no trial by jury. If they come to Canada they must be prepared to obey our laws; if not, they ought to be deported immediately. When this parliament prorogues, if the bill now before us goes through, all the agitators in the country will rejoice in the extension of their privileges.

[Mr. Church.]

The agitators in the large centres of population will take heart, and communism and anarchy will flourish. This legislation was not discussed at the last election and, as I have pointed out before, it is opposed by most of the provinces as well as by the police of the country. I fail to see any necessity whatever for it. It is fortunate that we have the Senate, which is the one bulwark against agitation and anarchy and all attempts against the peace and order of the country.

Mr. ARTHURS: Can the government give any information regarding the number of British citizens deported previous to the passing of the act in 1919?

Mr. CANNON: I cannot give the figures, but it seems to be the feeling of the House, judging by the debate that has taken place, that what is wanted is the elimination of the discrimination which now exists in section 41.

Mr. ARTHURS: If there have been no deportations under the act, why amend it?

Mr. CANNON: If my hon. friend had a bottle of poison in the house, would he leave it there merely because it had not been used?

Motion agreed to, and the House went into committee, Mr. Johnston in the chair.

On section 1—Deportation of undesirable classes.

Mr. STEVENS: I was somewhat worried and slightly upset when the Solicitor General quoted my colleague from West Calgary (Mr. Bennett) as being wholly in favour of this bill, and I admit that in reading Hansard as it was quoted by my friend it would appear as though the hon. member for West Calgary had agreed to the bill. I sent for Hansard, and I find that the bill last year was before the House on several occasions, and I noticed that the discussion then arose over certain provisions of the Criminal Code. I am sorry the hon. member for West Calgary was not in his seat to defend himself and his position, but in his absence I wish to make the matter right, and I think the Solicitor General will at least do the hon. member the justice of acquitting him of any inconsistency.

Without going through all the intervening discussion, which covers a great many pages of Hansard, I will turn to the introduction of this act last year, and the position of the hon. member for West Calgary will be recognized when I tell the committee that last year in repealing this objectionable section 41 of the act, the government proposed to substitute another clause which I will now read. I am referring to Hansard of 1926, volume 4, page 3818, when Hon. Charles Stewart, Acting Minister of Immigration and Colonization at that time, moved the second reading of the bill. The House went immediately into committee, and the minister made a statement as follows:

> The amendment that we are proposing is as follows:
>
> 1. Section 41 of the Immigration Act, chapter 27 of the statutes of 1910, as enacted by chapter 26 of the statutes of 1919, is repealed and the following is substituted therefor:
>
> 41. Whenever any person other than a Canadian citizen has been convicted of any criminal offence as defined in part II of the Criminal Code, it shall be the duty of any officer becoming cognizant thereof, and of the clerk, secretary or other official of any municipality in Canada wherein any such person may be, to forthwith send a written complaint to the minister giving full particulars.

Mr. DUNNING: Other than Canadian citizens.

Mr. STEVENS: Yes. I will deal with that in a moment. Then followed a long discussion about the Criminal Code and its efficacy in this matter, after which the hon. member for West Calgary, in the portion quoted, wholly agreed with the Minister of Justice regarding the applicability to the case of the new substituted clause.

I think in justice to the hon. member for West Calgary this should be stated, and now I wish to say a word in regard to the observations of the Minister of Railways (Mr. Dunning). This I say in justice to myself, as one who was born outside of Canada but who has been in the country forty years, during which time I have enjoyed the full rights accorded any citizen of this country. I want to say to the minister that in our attitude there is nothing of a prejudicial character against Britishers; I have sufficient fighting blood in my veins to resent such an implication as much as anyone else.

Mr. DUNNING: I trust my hon. friend did not think I was implying that.

Mr. STEVENS: It so appeared to me, but let us get this clear. The Immigration Act contains paragraphs (a) to (t) enumerating every conceivable reason for deportation, including sections (n) and (o) which deal with persons who advocate the overthrow of government by violence, and persons who advocate or teach the assassination of officials, and so on. There is no trial in those cases for anyone in Canada other than a Canadian citizen, and I desire to make the definition

of a Canadian citizen plain, because the Solicitor General rather humiliated me a while ago by pointing out that I had misstated the case.

Mr. CANNON I did not say my hon. friend had misstated the case; I said he did not state it completely.

Mr. STEVENS: I am going to complete even my hon. friend's statement, in order that we may have it all. A Canadian citizen means a person born in Canada who has not become an alien, or a British subject who has Canadian domicile. Then according to the act Canadian domicile means:

> Canadian domicile can only be acquired, for the purposes of this act, by a person having his domicile for at least five years in Canada after having been landed therein within the meaning of this act.

In other words, any British subject who offends against any of these sections is subject to deportation within five years after he comes to Canada; that is, if he offends against them in the way any foreigner might do.

Mr. CANNON: And after five years?

Mr. STEVENS: After five years he is not subject to deportation, nor is anyone else.

Mr. CANNON: I would like to clear this up. I do not want to prolong this debate, but at the very end of the paragraph which provides that the time must be so and so, my hon. friend will find these words:

> . . . . no person who belongs to the prohibited or undesirable classes within the meaning of section 41 of this act shall be capable of acquiring Canadian domicile.

Mr. STEVENS: That is quite so. We can meet hon. gentlemen opposite and the hon. member for Winnipeg North Centre (Mr. Woodsworth) in full so far as the extravagant terms of the section inserted in 1919 are concerned. Repeal them. We do ask, however, for the restoration of the safeguards of the act of 1910, and I wish to place myself right with my friend the Minister of Railways in this matter. We are not defending these extreme views but rather the general principles of the act of 1910.

Mr. CANNON: In connection with what I said concerning the hon. member for West Calgary (Mr. Bennett), I stated he had agreed to the bill last year and that the bill as we have it now is the first paragraph of the bill introduced last year.

Mr. STEVENS: It is not the same bill.

[Mr. Stevens.]

Mr. CANNON: The first paragraph of the first bill introduced last year is the bill this year. We agreed to strike out the second paragraph, which simply recited that when a person has been found guilty of an offence he can be deported. That is already the law, and we struck it out. Therefore I again say that the hon. member for West Calgary agreed to the very terms of the bill which we introduced this year, although he attacked and denounced it this morning.

Mr. STEVENS: His arguments last year were very similar to those of this year.

Mr. RYCKMAN: I am not going to run the risk of being misunderstood or misinterpreted by the Minister of Railways. I intended to say that I set a value upon Canadian citizenship either by birth or by naturalization, and that no matter what the extraction of the man who subsequently became a Canadian citizen, he is entitled to all the honours which go with that status. In contrast I would say that a Clydeside ship man, who probably does not act as he should and has been subject to the law in England, or a cockney from Limehouse, is not entitled upon his landing on these shores to the same standing that a Canadian citizen has who has been endowed with citizenship.

Mr. DUNNING: All I can say is that I absolutely disagree with my hon. friend. There are lots of decent people in Limehouse, in Glasgow and on the Clyde, and I do not know that any designation of that sort is creditable in a British House of Commons. We are inviting people here from the mother country whether they come from Limehouse or Glasgow or any other part of it, and to refer to those districts as indicating undesirable citizens is, to my mind, very wrong.

Mr. RYCKMAN: I may say to the minister that I have not used those districts as indicating undesirable citizens. I have said and I insist upon it, and I believe the people of this country will recognize that I am right —that once you have endowed a man with Canadian citizenship he is entitled to a preference in this country against the man who has not that citizenship.

Section agreed to.

Bill reported, read the third time and passed.

FRUIT ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee on Bill No. 228, to amend the Fruit Act.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

On section 1—Regulations.

The CHAIRMAN: Section 1 has been amended in committee by striking out subsections (f) and (g). Shall the clause carry?

Section agreed to.

The CHAIRMAN: A new clause 2 has been added to the following effect:

Section 2 is amended by inserting as paragraph (j) the following:
"Packs" or "packed" means the placing of fruit in any package intended for sale.

Mr. MOTHERWELL: That is an interpretation of the word "packed".

Section agreed to.

The CHAIRMAN: The following new clause, clause 3, has been added in committee:

Section 15 of the said act is repealed and the following substituted therefor:
"An inspection certificate signed by an official inspector, appointed under this act, shall be prima facie evidence of the truth of the statements contained therein.

Mr. TOLMIE: Does that include all fruit for export?

Mr. MOTHERWELL: The particular kinds of fruit will be indicated by regulation.

Mr. TOLMIE: Are apples included?

Mr. MOTHERWELL: Regulations will have to be framed indicating what fruit must be graded, but we have named apples to begin with.

Mr. TOLMIE: This act gives you power to make such regulations as will extend to all kinds of fruit?

Mr. MOTHERWELL: All kinds of fruit.

Mr. TOLMIE: Starting with apples?

Mr. MOTHERWELL: Yes.

Section agreed to.

Bill reported, read the third time and passed.

SALE AND INSPECTION OF AGRICULTURAL ECONOMIC POISONS

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved the second reading of Bill No. 257, to regulate the sale and inspection of agricultural economic poisons.

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Motion agreed to, bill read the second time, and the House went into committee, Mr. Johnston in the chair.

On section 1—Short title.

Mr. TOLMIE: Will the minister give a brief outline of the purpose of the bill?

Mr. MOTHERWELL: I gave an explanation when the resolution on which the bill is based was being considered but my hon. friend could not have been here. The bill provides for the registration of all insecticides and fungicides that are used in connection with spraying, particularly of orchards and of potatoes. It applies to poisons that are employed in the treatment of fungi or insects. In order to make sure that those who are buying the poisons are getting their money's worth, the brands will have to be registered with the component parts of the poison. In that way when a man buys this poison he will know he is getting something that is effective and not something that will rather fatten than kill, as has happened in the past. Sometimes the poison used in spraying is so strong that it destroys vegetation on the trees to which it is applied. Registration is required in order to safeguard the quality, particularly of the active ingredients.

Mr. TOLMIE: Are you establishing standards for the various poisons?

Mr. MOTHERWELL: No. Each manufacturer usually has a formula of his own. He will register that formula with the active poisons which it contains, and if any doubt is thrown upon the preparation we will see that he lives up to requirements by having an analysis made from time to time.

Mr. BARBER: Will this law permit arsenate of lead, paris green and bluestone to be put in packages?

Mr. MOTHERWELL: It will apply to all ingredients in agricultural poisons. The law will not apply to prescriptions put up by druggists for a medical man or for a veterinary surgeon, but will be enforced in the case of all agricultural economic poisons.

Mr. BARBER: To-day paris green, a standard poison is sold in bulk.

Mr. MOTHERWELL: There is a provision covering it when sold in bulk.

Mr. BARBER: I do not see it. Fruit men buy arsenate of lead in bulk as well as in packages.

Mr. MOTHERWELL: When it is sold by a retailer the component parts of the poison must be stated to the purchaser. We will come to that section.

Mr. BARBER: Arsenate of lead, as I say, is a standard preparation, the same as paris green or arsenate of copper. They are set forth in the British pharmacopoeia. If the retailer breaks a pound package to sell half a pound to a fruit man, it sounds unreasonable that he must pay $25 a year on that particular line.

Mr. MOTHERWELL: That is provided for.

Mr. McGIBBON: Is the minister not going to set any standards of strength? How does he propose to guarantee the purity of the commodity?

Mr. MOTHERWELL: It will be found in the regulations that we can determine the strength of the active ingredients.

Mr. TOLMIE: Under section 12, I think.

Section 1 agreed to.

Section 2 agreed to.

On section 3—Registration of brand, etc.

The CHAIRMAN: There is a slight amendment in this section—the registration fee of $25 in line 28 has been changed to $20.

Mr. BARBER: What is the idea of charging $20 a year? Many preparations that will come under this bill have not nearly the large sale of certain patent medicines, the sales of which in the aggregate perhaps would amount to a million dollars a year. The proprietor of a patent medicine registers his preparation for an annual fee of $1; but the man who manufactures a spray, for which he has a sale during only a few weeks in the year amounting in the aggregate to only a few hundred dollars, is compelled to pay $20 annually. This is very unfair and will, I think, work against the best interests of those who use the preparations, because necessarily the fee will be added to the selling price. I do not think the object of this bill should be to raise revenue. The fee might very well be the same as under the Proprietary and Patent Medicines Act, and I do not think any manufacturer would object.

Mr. MOTHERWELL: Mr. Chairman, the general principle has been recognized and adopted in many other agricultural bills that the particular trade affected should bear part, at least, of the cost of administration. This fee is estimated to represent about half the cost.

Mr. BARBER: Under the Proprietary and Patent Medicines Act practically the same procedure applies, a preparation is purchased by an inspector and sent to Ottawa to be analysed, which is a considerably more expensive course than would be necessary in dealing with many of the poison preparations used in spraying. This $20 fee is an annual payment for a preparation that is in demand only in certain districts and only for a few weeks each year. I think the committee would do well to reduce the fee to $1, and thus not create any hardship on the manufacturer.

Mr. MOTHERWELL: Inasmuch as the cost of administration is continuous the revenue should be continuous. This was threshed out in committee. A larger initial fee with a smaller renewal fee was discussed, but it was generally accepted that the principle was sound—to require the trade to bear a part of the cost. This is practically on a fifty-fifty basis, and justifies the renewal being the same as the initial fee. One of the manufacturers did propose an initial fee of $50 and a smaller annual fee of $10. We did not work out how much revenue that would bring in; but this fee represents approximately 50 per cent of the cost of administration.

Mr. BARBER: The principle of the bill is to regulate, and once the preparation is established I agree with the minister that it might not be a hardship to make the initial fee larger, but the renewal fee each year should certainly be reduced to a nominal amount.

Mr. McGIBBON: When the Patent Medicine Act went through I objected that the fee of $1 was not high enough, for I did not think the cost of administering the act should be placed entirely upon the government. But it does seem to me that in relation to that fee this fee is rather high. What proportion of the cost of administration does the country bear?

Mr. MOTHERWELL: This is not a new principle; we have it in the Fertilizers Act. In fact in all our agricultural regulations we have endeavoured to make the trade bear part of the cost of administration.

Mr. McGIBBON: I agree that the principle is right. This fee, the minister says, will cover 50 per cent of the cost of administration. How does it compare with the fees charged in the other acts?

Mr. MOTHERWELL: It is the same.

Mr. McGIBBON: That is, the government pays 50 per cent of the cost of administration of all of them?

Mr. MOTHERWELL: Yes.

Section agreed to.

On section 4—Registration authority to sell —renewal—fee for renewal.

The CHAIRMAN: The fee is changed to $20.

Mr. MOTHERWELL: That is to correspond with the change made in the preceding section.

Mr. BARBER: I would suggest to the minister that he amend the section. The manufacturer of twenty preparations would have to pay $400 a year. I think this fee should be reduced to $5.

Mr. MOTHERWELL: Mr. Chairman, the manufacturers are very apt to reduce the number of their preparations. This happened when the Fertilizers Act went into force. Sometimes a large number of preparations are simply used for display purposes, or to make the public think there is competition between the alleged varieties; but whenever the manufacturers have to pay a reasonable fee they reduce the number to three or four standard formulas, and I think that will be found to be the case here. I think we might try this for a year; I do not think it will be found to be onerous at all. The manufacturers who were represented there did not object very much to it, but they proposed that the initial fee might be larger and this one smaller, and we have compromised by reducing them both from $25 to $20.

Section agreed to.

On section 5—Contents of statement to accompany application.

Mr. MOTHERWELL: Mr. Chairman, the hon. member for Lisgar has drawn my attention to the fact that sections 4, 5 and 6 were renumbered in the committee. I think that is shown on the House copy of the bill.

The CHAIRMAN: I have the House copy, and the sections are not so marked here.

Mr. MOTHERWELL: There has been no change made in the sections, but it was thought more convenient to arrange them in this new order, section 4 becoming section 6, section 5 becoming section 4, and section 6 becoming section 5.

Section agreed to.

Sections 6 to 8 inclusive agreed to.

On section 9—Certain information to be set forth.

Mr. ROSS (Kingston): This is the clause that refers to sale in bulk. Has this been changed?

The CHAIRMAN: Paragraph (f) of this clause has been struck out and the following substituted therefor:

The guaranteed analysis stating the percentage by weight of each active ingredient.

Then in the eighth line of page 4 of the bill the word "only" has been struck out.

Section agreed to.

Section 10 agreed to.

On section 11—Advisory board.

Mr. McGIBBON: Who is going to be on the advisory board?

Mr. MOTHERWELL: We will try to have all the interests concerned represented on the board. The manufacturers will have a man, the fruit interests, and no doubt the vegetable interests as well.

Section agreed to.

Sections 12 and 13 agreed to.

On section 14—Inspectors.

Mr. MOTHERWELL: This section becomes section 15, Mr. Chairman, and 15 becomes 14.

Section agreed to.

Sections 15 to 18 inclusive agreed to.

On section 19—Offences.

Mr. GARLAND (Carleton): I think the word "dealer" was changed to "vendor" in the committee, Mr. Chairman.

The CHAIRMAN: Yes.

Mr. MOTHERWELL: The word "thereto" in line 2 of page 8 was also amended to read "therewith."

The CHAIRMAN: Yes.

Section agreed to.

Sections 20 to 23 inclusive agreed to.

On the preamble.

Mr. TOLMIE: Is the minister bringing this act into force right away?

Mr. MOTHERWELL: No, I think we shall have to let the manufacturers use up their present stocks before we bring the act into force, probably in the course of three or four months.

Preamble agreed to.

Bill reported, read the third time and passed.

CANADIAN NATIONAL RAILWAY ESTIMATES

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): With the permission of the House, I move that the estimates for the year 1927-28, respecting loans to the Canadian National Railway Company and the Canadian Government Merchant Marine, Limited, laid on the table on Tuesday, 15th February, 1927, together with the third and final report of the select standing committee on railways and shipping owned, operated and controlled by the government, be referred to the committee of supply.

Motion agreed to.

REPORT PRESENTED

Twelfth report of the committee on miscellaneous private bills.—Mr. Brown.

RAILWAY COMMITTEE

PEACE RIVER RAILWAY OUTLET

Mr. A. M. YOUNG (Saskatoon) presented the eleventh report of the select standing committee on railways, canals and telegraph lines, as follows:

Friday, April 8, 1927.

The select standing committee on railways, canals and telegraph lines beg leave to present the following as its eleventh report.

Your committee has considered the following resolutions referred to it:

That, in the opinion of this House, the time has arrived for the commencement forthwith, and the completion in the near future of a direct railway outlet from the Peace River country to the Pacific coast.

Your committee, having heard evidence on the subject matter of the resolution from the premiers of Alberta and British Columbia and from engineers who have investigated this project, and others, is of opinion that building a western outlet from the Peace River area is feasible from an engineering standpoint.

[The Chairman.]

The weight of evidence before your committee indicates that, on economic grounds, such construction should not be commenced forthwith, as set forth in the resolution referred to your committee.

Your committee is of opinion that much greater traffic development is necessary in the area to make the building of such outlet economically sound.

Your committee is further of opinion that potentialities of that area are such as to warrant a continuous study of its development.

All of which is respectfully submitted.

A. M. YOUNG,
Acting Chairman.

SUPPLY

The House in committee of supply, Mr. Johnston in the chair.

Railways.—Hudson Bay railway and terminals: construction and betterments, including E. B. Jost at $2,500, $5,130,000.

Mr. ROSS (Kingston): Does the minister intend to proceed? It is two or three minutes to six.

Mr. DUNNING: I did not expect this item would pass without discussion.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

SUN LIFE ASSURANCE COMPANY OF CANADA

The House in committee on Bill No. 107, respecting the Sun Life Assurance Company of Canada—Mr. Cahan—Mr. Johnston in the chair.

On section 1—Proportion of profits of participating business to shareholders to be reduced.

Mr. IRVINE: At nine o'clock on Tuesday evening I had just completed my argument against this bill. I had pointed out that the capital increase provided for in section 2 of the bill was not required, that the profits made on such capital would be unjustly awarded, and that those profits could only come out of the pockets of the policyholders. I also pointed out that the tendency of the times was towards mutualization and that an increase in capital would retard mutualization so far as this particular company was concerned. Inasmuch as there are a number of private bills to be considered by the House, and in view of the fact that this is a very

contentious measure, I desire to move, seconded by the hon. member for Battle River (Mr. Spencer), that the debate be adjourned.

Mr. HAY: This bill was very fully considered by the banking and commerce committee—

Mr. IRVINE: Is this debate in order?

Mr. LADNER: What is the motion?

The CHAIRMAN: I do not consider the motion in order; the House is in committee.

Mr. IRVINE: I move then that the committee rise.

Mr. JACOBS: We have not started to sit yet.

Mr. IRVINE: The hon. member from Jerusalem has been sitting for a long time.

Motion (Mr. Irvine) negatived.

Mr. HAY: I repeat that this bill had a very generous hearing before the banking and commerce committee; there was no attempt on behalf of the company unduly to hasten it, and the whole bill was considered fully and carefully. We have therefore had a full opportunity of hearing the case presented from the standpoint of the company.

I differ somewhat from my hon. friend who has just spoken in relation to life insurance. One must first of all popularize a company before doing business, and it must also be remembered that the selling of life insurance plays only a small part in the success of a company; many features enter into the operation of a successful life insurance company. I am not asking any special consideration for this bill or for this company, because I apprehend that hon. gentlemen who know something of the history of the company will let its actions, its statements and its officials speak for it, which makes it unnecessary for me to present any brief. The whole contention seems to have centred upon a determination of the capital of this company, in which connection a brief has been submitted to the officials of the Sun Life Assurance Company by a very eminent counsel, assuring them that no action on the part of this government is necessary to make it certain that the capital is already $4,000,000, the amount asked. In all fairness to the committee and to the company, these contentious matters could have been better worked out, I think, in that small select committee than in this House.

I point out these facts because statistics are deceptive and figures are hard to remember when they are in such large amounts as is the case with this company. We gave a considerable time to this bill in the committee, and as I said before there was no haste shown in putting it through. Therefore I think I can fairly ask the coöperation and support of hon. members in putting this bill through the final stages.

Mr. IRVINE: May I ask a question? There is a doubt at least as to the amount of capital in this company. Let us assume that the doubt is well taken, and that the capital is only $2,000,000. Will my hon. friend justify this committee increasing it by another $2,000,000?

Mr. HAY: I am quite willing to give this company authorization for $4,000,000 or twice $4,000,000 if necessary, because I realize that this company as well as others must keep abreast of the time. If I were coming to Canada and had to select a bank or insurance company with which to do business, I would look at the assets and authorized capital of the company to ascertain whether I should deposit my money or take out a policy with a particular company. There has been nothing concealed or hidden on the part of the company; the whole bill has been open to consideration; it has been dealt with carefully, I submit, by a committee appointed for that purpose. The committee was not so large as it had been at earlier meetings, but there were good reasons for that, and I think we dealt with it generously; we devoted two full sittings to it and it does seem to me that it is hardly the proper thing to now attack the bill when the company have not an opportunity of presenting their side of the case.

Mr. SPENCER: The hon. member who has just taken his seat made the statement that this bill was very carefully considered. I think very few of the bills which have been passed in the last few weeks have been thoroughly considered; we have been trying to rush too much work through the committees. During this last week I was called to no less than three committees on each of four separate days, at either eleven or eleven-thirty in the morning, with the House sitting at the same time. It is quite impossible for members to attend all the meetings to which they are called. I attended the committee before which this bill came, and at that time there was a distinct difference of opinion; the bill was very contentious. At the next meeting I know there was a much smaller attendance, as the hon. member has said; I was

unable to be there because I had two other committees meeting that morning. I had to make a choice as to the most important, and I suppose other members were in the same position. Since I was unable to be there to oppose the bill in the committee, I desire to take the opportunity now of saying a few words in opposition to it.

The main feature of this bill, I take it, is to give the company power to increase their capital by $2,000,000. The hon. member who just took his seat said it was the opinion of certain very eminent lawyers that the authorized capital of this company to-day is $4,000,000. If that is so, why do they come to this parliament to ask for that increase?

Mr. JACOBS: To make it clear and definite.

Mr. IRVINE: We are going to put it beyond doubt, all right.

Mr. JACOBS: We do not want fakirs to raise a question later.

Mr. SPENCER: I appeal to you, Mr. Chairman, whether or not I have the floor.

The CHAIRMAN: Order.

Mr. SPENCER: I have no doubt that those hon. members who support this bill believe they are doing what is right, and we who oppose the bill believe the same thing. With regard to the assets of the company, I understand them to be made up largely in three ways. There is the shareholders' fund, amounting to a little less than one per cent of the total assets; the non-participating fund, amounting to about 15 per cent of the assets, and the participating fund, which amounts to about 84 per cent of the assets. When you consider that the interest of the policyholders in this company is a little over 99 per cent, it will be appreciated that those who control no more than one per cent of the assets are asking a lot when they request the right to double their capital, which would doubtless be done by the issuance of shares, commonly called watered stock. I have heard no member rise either in the committee or in this House to say that that is not the way in which the capital would be increased.

I understand that the amount paid in cash for each share of this company was not more than $30; those shares which were bought for that amount have to-day attained a value of $1,600. One wonders how this could take place. I understand also that the total amount paid in cash into this company was $305,000, but it is also true that there was a special dividend of $350,000, a stock bonus of $840,000, and a premium of $120,000 was credited to the shareholders. And yet apparently the shareholders are not content with the interest they are getting. Apparently the company is so well off that it does not know what to do with its profits. It would not look well to increase the amount of profits the company is getting to-day on each share. It therefore wishes to double the shares by this watered stock method; so that the dividends per share will not look so large.

Mr. HAY: Where do the profits come from?

Mr. SPENCER: The profits came from 99 per cent of the assets paid in as premiums by policyholders.

Mr. HAY: Nothing came from legitimate investment?

Mr. SPENCER: I shall be very glad to answer my hon. friend's question as to legitimate investment. I admit that those who have made an investment have a legitimate right to expect some return. I admit they also have a legitimate right to say that when they had risked a certain amount of capital they should be safeguarded in their investment. I will answer both suggestions of my hon. friend by this statement: the shares they paid $30 for have increased to the value of $1,600, and although they paid into this company only $305,000, they received a stock bonus alone of $845,000. It seems to me the company is amply recouped.

Mr. HAY: I assume that you do not say that comes from the policyholders?

Mr. SPENCER: The policyholders are the people who have made this company by reason of the premiums they have paid in. I should like to know how it is possible for a company like this—which I understand to-day has total assets of $350,000,000, and claims also, as it did before the committee, that it can double its assets every five years—to make these huge profits? Is it because so many policyholders pay one or two premiums and then find that they cannot carry on and have to sacrifice the premiums they have paid? I wonder if that is the reason? There must be some reason. If a company can pay these stock bonuses to the amount that we have on record, and can double its assets every five years, why is it not possible for it to cut down the premiums to the policyholders?

I did not answer my hon. friend's second suggestion regarding the risk that the shareholders run. That risk I think is well taken care of by the fact that the company has

$56,000,000 in reserve. At least so I understand. Therefore with the amount it has received in dividends and bonuses, and the $56,000,000 it has in reserve, it should be able surely to take care of the shareholders' interests. Now we have to admit that to-day life insurance has become a necessity. Everyone should appreciate the fact that he ought to invest in life insurance. But I think there is great reason to believe that the premiums on these policies could be cut down to such an extent that people, even those of small means, could afford to take out life insurance, which they cannot do at the present time. The tendency, however, and I am very glad to see it, is to mutualize our life insurance companies. Such large companies as the Prudential Life Insurance Company and the Metropolitan Life Insurance Company have been mutualized and are doing a tremendous business. If this particular company wants to have a good talking point, it could not do better than follow the example of the other two companies I have named.

Mr. BELL (St. Antoine): Are they doing as big a business as the Sun Life, may I ask?

Mr. SPENCER: I do not happen to have the exact figures, but I have not the slightest doubt that if the Metropolitan Life carries on its business for many years in Canada, and such companies as this come to parliament to increase their shareholders' funds, the Metropolitan and other mutualized companies will certainly outstrip the company we are speaking about. The Sun Life can pay, I understand, 15 per cent on its present capital of $1,500,000 without drawing anything from the profits of the participating policyholders. If the capital is increased the participating policyholders' profits will have to be drawn upon, and section 1 of the bill fixes definitely the percentages to be drawn, namely, 4, 3½ and 3 per cent. To the extent that these profits of the participating fund are so drawn upon, the proposal is equivalent to a tax upon the participating policyholders.

I do not want to take up too much time, but I should like to quote some very interesting figures from the Canada Year Book of 1925 with regard to life insurance. First of all I will quote a few figures showing the profits earned by our life insurance companies to indicate what may be done by a contributory system built up by the government. For the year 1920, our Canadian life insurance companies showed an excess of income over expenditure of almost $40,000,000. For 1921 the figure was $47,000,000; for 1922, $50,000,000; for 1923, $60,000,000; and for 1924, $68,000,000 of an actual surplus. If you go over these figures right back to confederation you will find a tremendous surplus every year. In fact during the whole period I think it will be found that only about fifty per cent of the money paid in premiums is returned to the policyholders or their dependents.

I may say, Mr. Chairman, that I have on the order paper a resolution which reads as follows:

Whereas over four billion dollars of life insurance is now carried in Canada by private companies;

And whereas, the multiplication of services involves an enormous unnecessary expense;

And whereas, under modern conditions, life insurance has become a necessity.

Therefore be it resolved, that, in the opinion of this House, life insurance (like the postal service) should be established as a government monopoly.

That resolution was placed on the order paper in my name, but owing to the pressure of business this session I was unable to move it; still it has been a means of testing public opinion in this country. I have had correspondence from many people with regard to this resolution, which at least is very interesting to me, and I have not had a single criticism. I am going to quote extracts from two of these letters. One reads:

Having had eighteen years experience in the life insurance business I wish to congratulate you on your resolution re life insurance being taken over by the government. This would be a step in the right direction and help to reduce the taxation of the country as the millions now being made by private individuals out of the life insurance business would help the government, and also have a tendency to give the public a reduction of premiums.

The other one reads:

Kindly accept my thanks and I hope that thousands are writing relative to your noble suggestion of government ownership of all insurance companies of Canada.

I contend, Mr. Chairman, that these letters reflect public opinion. One hon. gentleman in this House, speaking to me privately the other night, thought that the criticism we were making against the Sun Life was because of the fact that the Sun Life head office happened to be in the city of Montreal. The suggestion is absolutely absurd; we would criticize this bill even if the company had its head office in Winnipeg or Calgary. We have no enmity against the Sun Life because its head office happens to be in Montreal. I claim the time will come when the government will have to recognize the necessity of taking over all life insurance, and probably the first step towards that will be to mutualize our present insurance companies. I think this is going to be brought nearer to us by the

action of such companies as this in coming to parliament to increase their capital when there is no need, and when their first duty is to their policyholders. If we pass this bill it will be detrimental to the best interests of such policyholders.

Mr. JACOBS: Mr. Chairman, I have listened for the last day or two that the committee has been sitting on this bill to the remarks of the gentlemen who have opposed it, and I have come to the conclusion that there is a misconception on their part as to its aims and objects. For instance, my friend who has just sat down (Mr. Spencer) seems to think there is some relation between the desire to raise the capital stock from two to four million dollars and the interests of the policyholders. He certainly could not have read the bill or he would not have come to that conclusion. The policyholders have their rights fixed by statute and by the by-laws of the company. They are entitled to 95 per cent of the profits of the company; that is fixed by by-law. Under the insurance law of 1910 the company has the right to take 10 per cent for dividends to stockholders, for management, and so on; but of its own free will it reduced that 10 per cent to 5 per cent, it is now taking 5 per cent, and there is nothing in the wide world to-day in the law which can prevent the company going back and taking from the policyholders the 10 per cent which by by-law it is entitled to take. I wonder what the hon. member for Wetaskiwin (Mr. Irvine) has to say to that?

Mr. IRVINE: I will tell you in a minute.

Mr. JACOBS: Tell me now.

Mr. IRVINE: Go on with your speech.

Mr. JACOBS: I do not think you have any answer, because you are glib enough when you have an answer. The hon. gentleman just referred to me as the member from Jerusalem. I recognize the jibe. But in the days when Jerusalem was a city and Palestine was a country we would have dealt with him in the way which was then customary—stoned him or driven him out of the country. He ought to be mighty glad that he did not live in Jerusalem those days.

Mr. IRVINE: Hear, hear.

Mr. JACOBS: I pause for an answer to my question. The hon. gentleman cannot answer it. I ask him, is he aware that this company can charge 10 per cent to its participating policyholders and is charging only 5 per cent?

Mr. IRVINE: Yes.

[Mr. Spencer.]

Mr. JACOBS: He got up Tuesday night and spoke for an hour in a most learned way about insurance and finance, and he gave some people—those who do not know him—the impression that he knew something about those matters. If he were talking on the shorter catechism perhaps I would give him credit for knowing something of it. I want to tell him that he should remember the old adage Ne sutor ultra crepidam—the shoemaker should not go beyond his last.

Mr. IRVINE: That is what you are doing now.

Mr. JACOBS: What do directors of the company propose to do? They say: We have been taking 5 per cent; we are entitled to take 10 per cent; but we are prepared to go further, we want to reduce this 5 per cent eventually down to 3 per cent, that is, to 4½, then to 4, and at the end of ten years we are willing to take 3 per cent instead of the 10 per cent to which we are entitled. But these gentlemen here who are looking after the interests of the policyholders of the Sun Life say: we do not want that; we do not want you to fix by statute 3 per cent as the amount you are to take, we want to leave it open to you to say that at any time you can take 10 per cent.

Mr. SPENCER: Could the hon. gentleman assure the committee that this increased capital will not be made by stock bonuses?

Mr. JACOBS: I will read a letter from the president and manager of the Sun Life Company, a gentleman of some prominence and consequence in this country I have his permission to read it. Under date of April 8, 1927, he says:

> We have absolutely no intention of issuing even one share of new stock as a bonus to our stockholders. If our bill becomes law we propose gradually to increase the capital up to $4,000,000, but every additional share which we may issue will be subscribed for in the usual way, and will be paid for in hard cash at its full par value.

Mr. SPENCER: What does "part cash" mean?

Mr. JACOBS: "Hard cash." As we say in French argent dur. The letter is signed "T. B. Macaulay, President."

Mr. WOODSWORTH: Is there anything in the bill to indicate that that must be done?

Mr. JACOBS: I would tell my friend from Winnipeg that the increased capital stock has no relation at all to the policyholders' interests —absolutely not. If this company were in-

corporated by letters patent at the office of the Secretary of State, we would go to his department, put our money down and ask him to increase the capital stock. And he could not refuse to do it. What interest has any person here to oppose an increase of the capital stock of the Sun Life Company? Here is a company with a capital stock under two million dollars, but it has assets of $350,000,000. It is top-heavy. In its business throughout the world, and particularly in England where, as hon. members know, the company has large interests, it occasionally absorbs other companies—it reinsures the policyholders of other companies, and this cannot be done without the consent of the court. When the company appears before the court to get permission to reinsure, the court finds that so far as the capital is concerned it is a halfpenny company in relation to its assets, and will refuse the required permisison because the capital stock is not large enough. The court feels that the larger the capital stock the greater the security there is for the stockholders, because if there is a subscription for ten or fifteen million dollars, and it is not all paid up, and something goes wrong with the company, every man who has underwritten that capital stock is obliged to pay up. Every lawyer knows that and every intelligent man knows that—I would say, every other intelligent man.

I can see where my friends from Alberta have gone wrong on this thing. They think if you increase the capital stock you are going to disguise the huge profits which the company is making, and it is in some way going to detract from the interests and profits of the policyholders. But their profits are fixed. It makes no difference whether the company is a million dollar or a hundred million dollar company, the profits which it makes are divided between the policyholders and the stockholders as ninety-seven is to three. As hon. gentlemen can see $3 for managing the business of this company out of every $100 is nothing more nor less than a postage stamp. A few years ago if you made out a cheque for $1 you had to affix a two-cent stamp. Here the policyholders are asked only to contribute $3 for the investment of their money, for the management of the company, and so on. Surely that is not unreasonable and I think the question never should have been discussed before this committee and before parliament. The bill should have been allowed to go through as a matter of course.

I ask again, how would the defeat of this bill affect the policyholders? If I thought for a moment that the company intended by the increase of its capital stock in any way to interfere with the profits of the policyholders, I would not be advocating its cause here. It is for the reason that I see the thing is just and right that I am asking for it. After all, large financial companies have some rights, even before parliament. It may be true that they are the poor little rich girl, but they have certain rights. My friends from Alberta have come to this House from time to time with bills affecting them, and which we found were just and right, and we voted for them, although sometimes—

Mr. SPENCER: Sometimes.

Mr. JACOBS: My friend laughs at this. May I remind him of the bills we put through this year affecting the welfare of the people of the province of Alberta?

Mr. SPENCER: What bills?

Mr. JACOBS: The old age pension bill and—

Mr. SPENCER: That will benefit eastern Canada more than Alberta.

Mr. JACOBS: We have also put through amendments to the Grain Act, and a rural credits bill. Surely those affect the people of Alberta.

Mr. SPENCER: They are paying for it.

Mr. JACOBS: Exactly, but we could have stood up here night after night and blocked those bills if we felt so disposed, but we do not do that because we feel that perhaps the members from Alberta will some day see the light and join the members from Saskatchewan who are sitting on this side of the House. We feel that there is some potential good in these gentlemen.

Mr. GARLAND (Bow River): I notice the hon. gentleman's reputation as a humorist is not waning.

Mr. JACOBS: I am glad my friend from Bow River recognizes that I am a humorist; it takes an Irishman to recognize that. I say, Mr. Chairman, that if our friends were really sincere in this matter, they would not talk the bill out, but would take it up clause by clause and discuss it intelligently, and with the responsibility which I think they ought to feel, instead of simply blocking the bill holus-bolus without giving any particular reason except the alleged reasons of the hon. member for Wetaskiwin. I say that such a procedure is beneath the dignity of this parliament to countenance.

Mr. SPENCER: The hon. gentleman, I suppose, thinks that his is the only good reason.

Mr. JACOBS: I challenge my hon. friend who has just spoken or any member on the other side of the House to deny the statements I have made here. I challenge them and wait for an answer. I ask my hon. friend from Battle River if it is not in the interests of the policyholders that the shareholders' interests in the profits of this company should be reduced to three per cent, and that the policyholders should be allowed seven per cent to which by law they are not entitled. We are offering our policyholders 97 per cent of the profits. They are entitled to only 90 per cent, and these so-called friends of the policyholders say: No, we will not have it; there is something sinister in this; the company wants to increase its capital so that it can issue watered stock.

Mr. SPENCER: The hon. gentleman's words were, "We are offering our policyholders." May I ask him if he is connected with this company?

Mr. JACOBS: I am a policyholder in half a dozen different companies, but the Sun Life is not one of them.

Mr. SPENCER: Are you a shareholder or a director?

Mr. JACOBS: I am not a shareholder, unfortunately, I am sorry to say, and in that respect I am in the same position as a good many members of this House, but even if I were, it would not affect my argument.

With regard to clause 2, declaring that the authorized capital stock of the company is $4,000,000, they have the opinion of five of the most eminent counsel in Canada, led by Mr. Eugene Lafleur, a jurist of international repute, who tells the company that their capital stock is $4,000,000, and not $2,000,000. When the company was first organized, they obtained permission to issue $4,000,000 of capital stock, $2,000,000 for the life insurance, and $2,000,000 for fire and accident insurance. Subsequently they declared by act of parliament that they were not going into the fire and accident business and that the company would be a life insurance company and nothing else, but nothing was declared with regard to the $2,000,000 capital stock with which they were going to carry on the fire and accident insurance business. Mr. Lafleur takes the ground that inasmuch as parliament did not take away the right to issue $4,000,000 of capital stock, and inasmuch as the other right was taken away, they are still a company of $4,000,000 capital stock. But you can understand that a gigantic company like the Sun Life, one of the largest insurance companies in the world, wanted to put this question beyond all doubt and peradventure and so it is declared in section 2:

> Notwithstanding any doubts which may have arisen by reason of the provisions of any of the amending acts, the authorized capital stock of the company is $4,000,000, as contemplated in section 2 of the said act of incorporation, and the unsubscribed portion thereof may be issued from time to time by the directors in such amounts as they may deem in the interests of the company, but every such issue shall be sanctioned by a meeting of the shareholders.

In face of the opinion of these eminent attorneys, led by Mr. Lafleur, if I were the president of the company I would not come here hat in hand and ask parliament or the hon. member for Wetaskiwin to increase the capital stock from two to four million dollars. I would be content to abide by Mr. Lafleur's opinion. But here the bill is, and we have to deal with it.

Another clause provides that the company may issue capital stock of the par value of $10 per share instead of $100 per share, and an hon. gentleman on the other side professes to smell a rat there. He says: This looks serious. But, as a matter of fact, that provision is simply so that the stock shall be spread out more, particularly among the company's employees. Surely there is nothing sinister about that. There is nothing sinister about this bill at all, except what has been read into it by the hon. member for Wetaskiwin who spoke for an hour the other night and said nothing.

I have taken the trouble to look up some of the references to the insurance report of 1907, and I want to say that no reference therein applies to this bill. There is one passage which I would like to read, but I have not the time; I feel I should be standing in my own light if I talked till nine o'clock, and consequently would be doing the devil's work, and so I have decided to sit down. But when we discuss the bill clause by clause I can explain that point to the satisfaction of the committee.

Mr. IRVINE: I suppose that hon. gentlemen of the committee will be at a loss to understand this spontaneous combustion of the hon. gentleman who has just taken his seat. He has spoken with the wisdom of the oracle and as a wizard of finance from that country to which he is so proud to belong. I have no doubt that if he had made the speech

he has made here to-night at the time when Palestine was in her heyday, it would possibly have been all right, but I suppose hon. gentlemen who have read the bill and have tried to understand it are quite well aware that the hon. gentleman did not give a correct interpretation of these various clauses. He did not inform the committee, for instance, that the company made 73 per cent last year on the actual cash invested in the company. He did not tell the committee that all the $2,000,000 of capital stock, with the exception of $305,000, was issued by way of bonuses voted from the funds of the company, and which came from the policyholders.

Mr. HANSON: Did not the stock bonuses come from the profits of the stockholders?

Mr. IRVINE: If the hon. gentleman will take the trouble to look up the figures I placed on Hansard last Tuesday night—I did not create those figures; they are from the Insurance department—he will find the answer to his question. He knows perfectly well, if he has looked them up, that I am not trying to misrepresent the situation at all. The hon. member who has championed the increasing of the capital stock of this company has failed to give us all the facts, and has taken the popular way of interpreting the clauses. For instance, he says that the company want to reduce the par value to $10 a share. What does that mean? Does that mean that they are going to cheapen the stock of the company accordingly? It means that they are going to be able to charge 179 per cent profit next year instead of 73 per cent.

Mr. JACOBS: Not at all.

Mr. IRVINE: Provided we confirm this $2,000,000 increase.

Mr. JACOBS: It is not true.

Mr. IRVINE: It is true, and I again challenge my hon. friend to show it is not true..

Mr. JACOBS: I will tell you this—

Mr. IRVINE: You will not tell me anything. I have the floor.

Mr. JACOBS: You challenged me to tell you.

Mr. IRVINE: You can tell me on some other occasion. I am not listening to the combustion of my hon. friend. It is all very well for the hon. member to challenge other people when he knows that he has the floor. I have the floor and I am challenging my hon. friend for the same reason he challenges me.

Mr. JACOBS: And I am ready to answer, but you will not permit me to do so.

Mr. IRVINE: My hon. friend knows perfectly well he was misrepresenting the situation.

Mr. JACOBS: I rise to a point of order. The hon. member says I have been misrepresenting the situation.

An hon. MEMBER: Knowingly.

An hon. MEMBER: Take it back.

The CHAIRMAN: I did not hear the hon. member make such a charge. If he did, it is not according to rule, and he should withdraw it.

Mr. IRVINE: Let me put it this way—

An hon. MEMBER: Take it back.

Mr. CHEVRIER: The hon. member said that my hon. friend behind me misrepresented the situation. No member in this House has the right to make such a statement and have it remain on Hansard, when the hon. gentleman says he did not misrepresent him.

Mr. IRVINE: That is the only reason that I will withdraw it.

Mr. CHEVRIER: The statement is not worthy of any member of this House.

Mr. IRVINE: The statement my hon. friend made just now! The hon. member tried to make it appear that this company was doing a magnanimous thing by fixing its rate of profit at 5 per cent, or at 3 per cent subsequently; he tries to suggest also that they were reducing the value of their stock from $100 to $10, and that possibly would make it very popular with those who wish to purchase it when the stock is at that figure. But will my hon. friend say that there are no implications in that clause of the bill further than he expressed to the House?

Mr. JACOBS: I have read the letter of the president, and that is sufficient for me.

Mr. IRVINE: Well, it is not sufficient for me.

Mr. JACOBS: But you do not know the president. He knows you.

Mr. IRVINE: I am not interested in who the president is. I am not speaking against the president or the company itself. It is a Canadian company, an excellent company; it has performed splendid service to

Canada, and I hope it will perform more service in the future. I believe the time will come when that company will thank me for talking out this bill, for they will discover, if they do not see it now, that it is in the highest interests of the company that this measure be not put through. I do not think that any company can for long enter into competition, in selling insurance and giving good service, with a company that is entirely mutual, which returns to its policyholders its entire profits and earnings. As long as any fraction of that profit goes to stockholders in a company where stockholders are not necessary and where capital is a hindrance, the company cannot possibly compete successfully with one that is entirely mutual. I believe this bill should be killed. I think the committee should have voted for my motion when I moved that the committee rise. The hon. member who has just resumed his seat jeered at the interpretation of the act which I presented to the House on Tuesday evening, but I notice that he did not make an attempt to answer one single argument. It is true that by suggestion he tried to undermine the force of the argument by making a personal attack.

Mr. JACOBS: Excuse me, I made no personal attack on the hon. member. The reason I did not answer the arguments is that there were none to answer.

Mr. IRVINE: Am I to assume the hon. gentleman can answer an argument when there is none? Why should he have taken half an hour to answer something that was not there? That seems rather a strange thing. Only a humorist like my hon. friend could do a thing like that. He did try to answer the argument which I presented by a sarcastic remark with regard to knowledge of finance which I pretended to possess. I am not laying claim to knowledge of any kind more than the average individual, and I think the remark came rather badly from my hon. friend. But he did not challenge one single point that I made. I argued that capital was not necessary in an insurance company. This company has got along very well, and has risen to a very successful point, having only a very small subscribed capital. It got through all its building years and through all the early stages of its development, on a very small capital, and built up a business so successful that they are making so much profit that they do not know what to do with it; and yet now they want to bring in more capital in order to make more profits. They know the capital is not required. The hon. gentleman tried to prove that it was required, but he knows it is not required and he also knows that capital that is not required has no more business to be paid than labour has any business to be paid when it is not working.

The hour for private bills having expired, the Speaker resumed the Chair.

BANKING AND COMMERCE COMMITTEE

COMMERCE MUTUAL FIRE INSURANCE COMPANY

Mr. F. W. HAY (North Perth): With the consent of the House I ask leave to present the seventh report of the select standing committee on banking and commerce on Bill No. 305, to incorporate the Commerce Mutual Fire Insurance Company.

Mr. SPEAKER: By unanimous consent of the House.

Mr. HAY: I move that Bill No. 305, to incorporate the Commerce Mutual Fire Insurance Company, be placed on the order paper among private bills for third reading.

Motion agreed to.

UNOPPOSED PRIVATE BILLS

Mr. J. T. THORSON (Winnipeg South Centre): With the consent of the House, I desire to move that we now proceed to the consideration of the private bills which are not contested—divorce bills and others—of which there is a large number on the order paper.

Mr. SPEAKER: What is the sentiment of the House?

An hon. MEMBER: No.

Motion negatived.

SUPPLY

The House in committee of supply, Mr. Johnston in the chair.

DEPARTMENT OF RAILWAYS AND CANALS

Railways and Canals—Hudson Bay Railway and terminals: construction and betterments, including E. B. Jost at $2,500, $5,130,000.

Mr. GUTHRIE: This item for the construction of betterment will carry the road to a point on the Hudson bay. Is that impression correct?

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): I thought it would probably facilitate the discussion of the item if I made a brief general statement regarding the whole matter. As is well known, it is the policy of the government to complete

what is known as the Hudson bay route at as early a date as possible and to give to that route at the earliest opportunity a practical test. The plans which I am about to outline for the immediate future have that object in view. It is contemplated, in addition to the work on the railway and possible work on the port, to conduct an early investigation into the necessities for aids to navigation in the strait. That is not covered by the item at present under discussion by the committee, but no discussion of our policy in regard to the Hudson bay route would be complete without it. There will be found later an item in the estimates of the Department of Marine and Fisheries embracing the work which it is planned to do during this fiscal year in connection with the strait. In that connection I may say briefly that it is intended to send up a ship and a number of aeroplanes to establish in the strait three aeroplane bases and to arrange for a continuous early reconnaissance for a period of approximately one year in order to determine what aids to navigation are required and in order also to secure information looking to the lengthening of the known period of navigation through the strait. It is hoped, with the aid of modern equipment which will be used for that purpose, to make such a study of currents and ice conditions as will render available a mass of information for the guidance of mariners when the route is used, as we all hope it will be, in the not distant future. Further, it will be possible for the expedition to the strait to determine exactly the nature of the aids to navigation which will be required.

With regard to the work on the railway and at the port, I may observe that the development of the port facilities is by far the most extensive undertaking; the development of the port facilities will occupy the longest period of time. The construction of the railway is the simplest part of the work from the point of view of time. A large part of the study given to this subject by the officers of the government has been directed towards the most expeditious and economical method of port development. In connection with Port Nelson the feature which is the greatest time consumer is the necessity for dredging a portion of the channel. The natural channel extends up the estuary of the Nelson. The artificial island which is now partly constructed is some twenty-two miles from the bay itself and a navigable channel of sufficient depth extends to within approximately five miles of that island. For three and a half miles of that last five, the channel must be dredged. That has been well known for a number of years. The amount of dredging required is approximately five and a half million cubic yards in a channel three hundred feet wide and approximately three and a half miles long, varying in depth. At any rate the work involves the removal of five and a half million cubic yards of material.

Mr. TOLMIE: What kind of bottom?

Mr. DUNNING: The nature of the material is boulder clay which can be disposed of with a dipper dredge. That is the great time consumer in connection with Nelson. There is no doubt at all that we can complete the railway and the necessary dock and terminal facilities very much sooner than it would be possible for ships to come up to the dock, the reason being, as I have stated, the fact that so much dredging requires to be done. The department has been at some considerable trouble to estimate the length of time which will be necessary in order to accomplish this dredging. Of necessity, estimates of this character must be only approximate, inasmuch as delay may occur through breakage of machinery and operating under water. Another factor to be considered is this: the material dredged must be transported by scows over the twenty-two miles to the open sea or bay. It cannot be dumped in the channel or in the shallow water because the tendency would be to block the channel lower down. It is necessary therefore to plan not only the dredging of the artificial channel to which I am referring but to carry the dredged material twenty-two miles out to the sea. On the basis of operating these dredges with the necessary auxiliary craft the period estimated by the department's engineers before the complete channel up to the dock will be fully available for use will be six years. That does not mean that the port cannot be used at all before the lapse of that time. It may be possible to use the channel before it is dredged to its ultimate width but there are of course necessary limitations to such use. When the government was made aware of the study which the engineers had given to this phase of the subject it was deemed desirable, having regard to the need of getting operations started as expeditiously as possible, to secure the very best advice on port development. It was recognized, in view of the controversial nature of the Hudson bay project, that if any Canadian engineer were invited to make a study of it in all probability there would be charges or statements that he was prejudiced one way or the other; therefore the government decided to endeavour to secure the services of

an unquestioned authority on port development. Through the coöperation of the High Commissioner in London the services of Mr. Frederick Palmer were secured for that work. Who is Mr. Palmer? Mr. Frederick Palmer is an engineer of long and wide experience in port development in many parts of the world; he was for many years chief engineer for the government of India in connection with railways, ports and irrigation; more recently he has been the head of his own firm in London; at present he is consulting engineer to the ports of London and Glasgow and is consulting engineer to the British government in connection with colonial port development. This year he also occupies what I believe is regarded as the blue ribbon position of the engineering world; he is president of the British Engineering Institute. I think there can be no question that in securing the advice of such a man in connection with an undertaking involving such large expenditures, the government has adopted a wise course. Mr. Palmer visited Ottawa and conducted here an examination of all the records and data in connection with the Hudson bay project; he will return in the summer to pay a personal visit to Hudson bay. Following consultation with him and after he had gone into the records very considerably, on behalf of the government I wrote him a letter of instruction which I propose to read to the committee, in order that the position of things from the point of view of the government's instructions to the engineer may be plain. The letter is dated January 5, 1927, and is as follows:

Dear Mr. PALMER,

In order that we may have record of the understandings reached as a result of our several conferences, I beg to advise you as follows:

In 1911, the Canadian government commenced the construction of a railway to Hudson bay. In 1912, in order that the road might be placed completely under contract, it became necessary for the government of the day to make immediate choice between the only two possible ports on the west coast, Nelson and Churchill. After a personal visit to both places by the then minister, and consideration of the information available at the time, the minister, on the advice of his engineering staff, recommended the establishment of the railway terminus at Nelson, and plans for harbour terminals were prepared by an engineer specially selected and sent to Nelson for that purpose. Upon consideration of the scheme of development then suggested differences of opinion arose, and the engineer resigned his appointment. A member of the departmental engineering staff was then assigned the task of preparing suitable plans, as a result of which the present scheme of development at Nelson was approved and actively prosecuted by the department during 1914 and the succeeding years, until the fall of 1917, when the work was discontinued owing to war conditions. During the following winter the construction of the railway was also discontinued upon completion of the bridge at the Kettle rapids crossing of the Nelson river, about 92 miles from Port Nelson.

On the railway $15,245,889 had been expended to March 31, 1926, and on the Nelson terminals $6,242,114.

At the present time that portion of the railway previously constructed is being reconditioned and it is planned to continue the construction of the railway in 1927. This imposes upon the government early consideration of the question of harbour development in order that the Hudson bay route may be assured fair trial as an ocean outlet for western grain and cattle, and for such other traffic in agricultural, mineral, forest and manufactured products as may develop.

Controversy has always existed as to the relative merits of Nelson and Churchill as the bay terminus, and notwithstanding the selection of Nelson in 1912-13, controversy has persisted. In 1920, a special committee of the Senate was appointed to examine and report upon the Hudson bay project generally, and upon the character of the ports and their fitness for terminals. Upon the evidence then adduced the committee reached the following conclusion upon the harbour phase of the project:

"That in the opinion of this committee sufficient care was not taken in the selection of Nelson as the terminus of the railway, and that the government should not make further important expenditures upon this port without first making a new and thorough examination into the relative merits of Churchill and Nelson as a terminus for the railroad."

In view of the substantial expenditure already incurred at Nelson, and the shorter rail haul to that point, the government is naturally predisposed towards Nelson, but desires, above all things, that the port chosen, and its arrangements, should afford the best possible opportunity for the development of trade through the bay.

The problem of harbour development in the two places differs very widely and, as regards Churchill, the use of that port would involve the construction, maintenance and operation of about 90 additional miles of railway. As to the suitability of the terrain between the Nelson and the Churchill rivers to railway construction we hope to have definite information in the course of the next few months. Should the survey now being made disclose conditions unfavourable to railway construction, this would, of course, dispose of any question as to Churchill, but if a railway is found practicable, we will require your advice concerning Churchill also. If that port should be found to be capable of such early and economic development as would afford better and safer facilities than Nelson, and more readily available, that would be a factor of great importance to the successful development of the Hudson bay route. For these reasons we think it unwise and not in the interests of Canada to restrict your investigation to the port of Nelson only, unless, meanwhile, Churchill should be eliminated for railway reasons.

In the event of Churchill becoming a possibility we should have, in addition to relative costs of construction and maintenance, a comparative estimate of the length of time neces-

sary to provide terminals at either port sufficient to enable a proper test of the route to be made. We consider this element of time a matter of prime importance.

We want, also your opinion of the design of the existing works at Nelson, and as to whether any change could be made there which would either reduce the cost or the length of time required for development, or improve conditions in any way at that point.

What we have in mind as an initial test development—and this is suggested more for your guidance than as a conclusive and limiting instruction—would be the provision of accommodation in either harbour for six cargo ships in port at one time, with working berth for three of the six, the estimated draft of vessels to be not less than 26 feet. The minimum development projected at each port should, of course, be capable of such progressive extension as future requirements might dictate.

If a railway to Churchill be found practicable, we desire that your report should cover a possible development at both Nelson and Churchill, with estimated cost, your recommendation as to the choice to be made and reasons therefor.

In outlining, in this general way, the matters upon which the government desires your advice, it is not intended to ask you to consider problems unconnected with port development. We appreciate that, owing to climatic conditions, it will not be possible for you to conduct your personal examination of Nelson and Churchill before next summer. We shall, however, do everything in our power to facilitate your work at both points and would be glad to have your conclusions as soon as possible thereafter, as we are anxious to avoid delay in the prosecution of this important undertaking.

Faithfully yours,

CHARLES A. DUNNING.

Mr. STEVENS: What is the date of that letter, please?

Mr. DUNNING: January 5, 1927, when Mr. Palmer was out here conducting his examination. It will be seen from the letter of instructions that the object of the government is greater expedition, together with certainty as to the right thing to be done from an engineering standpoint. We are anxious to proceed in the light of the fullest knowledge possible, and we are convinced that the course adopted will involve no delay in the completion of the project. We recognize, as anyone examining the matter must recognize, that in connection with Nelson, the amount of dredging to be done to make a channel to the dock constitutes a material factor of time As to whether a change in the design of the works at Nelson might reduce that factor of time is a matter upon which we expect advice from Mr. Palmer.

Mr. McGIBBON: Could the minister give us some estimate as to the cost of that dredging?

Mr. DUNNING: I gave to the committee last year, when a similar vote was before it, the departmental estimate of the cost of completing the work at Nelson. It is understood, of course, that these figures are subject to revision in case a change of design or a change in the character of the work should be resolved upon as a result of the investigation now being made. This is the formal departmental estimate of last June based upon provision for 10 seven-thousand ton ships all in port at the same time. And here I would call attention to the fact that the departmental estimate is for a larger port capacity than that which we have set in our instructions to Mr. Palmer as the maximum design. That of course will be a qualifying factor. These figures also include provision for a four million bushel elevator. I am inclined to think myself that for an initial development a four million bushel elevator is not required; a smaller capacity would do. Now the estimate of the cost is as follows:

Entrance channel end island to opposite Allette 20′ below low water, earth and boulders 1,570,000 yds at 1.60	$2,512.000
Along dock face on island:	
4,400 ft. to 30 ft. below L.W.O.S.T. earth and boulders 2,700,000 yds at 1.20	3,240,000
5,400 ft. to 15 ft. below L.W.O.S.T. earth and boulders 1,200,000 yds at 1.20	1,440,000
	$7,192,000
4,000 ft. dock walls at 77 yds. 308,000 at 12.00	$3,696,000
Sinking and preparing crib seats 308,000 at 4.00	1,232,000
3,000 ft. rear crib at 25 yds. 75,000 at 12.00	900,000
4,000 ft. anchorage crib 12 yds. 48,000 at 12.00	576,000
Anchorage bolts 4,000 ft. at 200 lbs. 800,000 at 14c	112,000
Filling of island above elev. 7 1,200,000 at 60c	720,000
	7,236,000

That figure, of course, would be subject to qualifications by reason of any alterations in the design or capacity of the work, especially the latter amount. Then provision for a four million bushel elevator is made. Again I would qualify that. My own view is that a one million bushel elevator would be the most desirable form of equipment to instal, with facilities for enlargement as the use of the port developed. Then there is $300,000 for a lighthouse crib at the entrance to the harbour. This is the departmental estimate

of cost based upon the existing works at Nelson, and provision for ten ships in port at one time instead of six which we have now set as the maximum initial development.

Mr. STEVENS: What is the total?

Mr. DUNNING: The total of these figures, including 10 per cent for engineering management, is $20,600,000, and that is identical with the figure I gave to the committee last year. And again I would emphasize that that figure will stand revision downward in proportion as the work may be modified in extent or changed in type as the result of the investigation now being conducted.

With regard to Churchill, there is one factor which I think I should bring to the attention of the committee, and that is a letter from Mr. Palmer with reference to the decision made with regard to the port in the first place. I desire in this connection to make it perfectly clear that I am not putting this forward in any critical spirit in relation to those who were in charge when the port was chosen, but simply, as a matter of fact, illustrating rather the need for care and investigation at the present time. Mr. Palmer says:

> I think it is necessary to call attention to the fact that there was a complete absence of engineering data at the time when the decision was arrived at to locate the port at Nelson. It is very desirable that this mistake shall not be repeated when reconsidering that decision. During the progress of the works at Nelson a great deal of information has been obtained from time to time, but in regard to Churchill the position to-day is that there is absolutely no data upon which anything approaching a reliable estimate of costs can be formulated. I have therefore given Colonel Dubuc a memorandum of requirements in regard to borings, trial pits, etc., information regarding which must be in my hands before a scheme can be prepared. About Nelson no further data seems to be necessary, and when those for Churchill have been completed, and the estimated costs of the railway works are forthcoming it will be possible to place before you a very fair comparison of the merits of both these ports.

Then follows a list of his requirements. It is important for the committee to know that the only data obtainable in the Department of Railways to-day regarding Churchill is a hydrographic chart of the harbour giving the depth of the water. There is no engineering data available. When Mr. Palmer asked a question in the department as to what the bottom of Churchill harbour consisted of, no one in this department or in any other department of the government could give him exact or certain information. Everyone said, there are boulders there. The important thing, however, was what lies under the boulders. If it is rock, manifestly that has a great bearing upon the engineering aspects at Churchill. If in the other hand it is clay and boulders, the same character of material as exists at Nelson, that again has an important bearing upon Churchill as a port. The government naturally hopes that investigation will show that the work should be completed at Nelson, because of the shorter rail haul to that port and the investment which has already been made there. I have said sufficient with regard to the length of time necessary to develop Nelson to indicate, I think, sound reasons for the present investigation, which I again emphasize will not involve any delay in the completion of the road. The minds of many people are fixed upon the railway. They say: Get the railway to tidewater and then we can use the route. That is an unfortunate misconception. It is not possible to use this route in the manner in which the people of western Canada wish it to be used, until it is possible for a ship to tie up to the dock in order to take on her cargo. That is the determining factor, and because it is the determining factor we must ascertain the amount of dredging to be done. The measurements are as reasonably accurate as underwater measurements can be made, and are the result of observations taken during the years through which the work was prosecuted at that point.

With regard to the railroad, work has been continued throughout the whole of the last fiscal year according to plan. I think everything that was expected to be accomplished during that period has been. The amount voted last session will, I believe, be practically all expended when we get the final accounts in. The work has been done for the Department of Railways and Canals by the Canadian National Railways in the same manner as they would handle a piece of their own construction work. There still remains a considerable amount of work to be done on the existing line. When we started in 1926 the steel was at mile 332, but, as the committee knows, a considerable portion of the line west of that point had not been operated for some years previously because of its very bad condition. No engine terminal facilities and no regular water facilities existed and the whole line had been allowed to run down in condition since the date at which work stopped in 1917. The line has been reconditioned and temporary steel has been laid as far as mile 350, which is the crossing of the Limestone river, where a bridge is now under process of construction. The mileage between 332 and 350 is not in operating condition. The steel was laid on the bare grade just for the purpose of getting forward the material for

the big steel bridge across the Limestone river. There also remains considerable work to be done on the line west of mile 332. A lot has been done, but further reconditioning is required. Engine terminals at some of the divisional points are not yet completed, neither is the necessary increased plant at the Pas, which is the terminal of the line.

That is all, Mr. Chairman, that I can think of at the moment by way of a general statement. Doubtless other questions will arise. I think I have all the information here for the committee. I only want to emphasize in conclusion that there will be no holdup in the work as a result of the investigation now proceeding, and it is hoped that before the end of this fiscal year we shall be able to make a substantial start on the assembling of materials and machinery necessary for work at the port.

Mr. GUTHRIE: At what port, may I ask?

Mr. DUNNING: I have indicated, Mr. Chairman, that we expect to be guided by the investigation in that regard. We hope that it will be Nelson. It will be Nelson unless it is demonstrated to our satisfaction by the eminent engineer who is investigating it for us that Churchill can be more easily developed into a safer and better port, and that it will be economically advantageous to Canada to use that port instead of the other.

Mr. McGIBBON: When do you expect Mr. Palmer's report?

Mr. DUNNING Not later than August.

Mr. GUTHRIE: Does the $5,130,000 which is asked for in the estimate carry the work to the port?

Mr. DUNNING: If Nelson is the port, yes. I should have made a statement with regard to a factor which undoubtedly the committee noted in the letter of instructions to Mr. Palmer, and that is the practicability of a railroad to Churchill. In previous discussions in this House members will recall it was frequently stated that the building of a railroad to Churchill was impracticable because of bottomless bogs and things of that sort. Of course if that were the case we would have to make the best of Nelson whatever the conditions were. So we determined to find out whether or not it was really practicable to build the railroad to Churchill. This winter the Canadian National sent out a survey party north from the Limestone river crossing to Churchill. They are within forty or fifty miles of Churchill now. The department is in touch with them constantly by radio. Up to the present they have discovered no impossible conditions whatever. So far as gradient is concerned there will be no difficulty; so far as bog is concerned, the reports which we get over the radio indicate that the terrain does not differ materially from the terrain through which this railway and other railways in northern Canada have been constructed. There is apparently no doubt as to the practicability of a railway to Churchill. I should like, however, to qualify this by saying that we should await the final report of the chief of the survey party before making too definite statements in that regard, the only information we have received being over the radio in the form of short, scrappy messages.

Mr. BIRD: When does the minister expect a complete report of the survey?

Mr. DUNNING: Within a month—that is an instrumental survey.

Mr. GUTHRIE: Mr. Chairman, I have only a few brief observations to make in regard to this vote and this project. I am one of those who has been a supporter of the project since it was first brought up in this parliament I think in 1910, or perhaps 1909. I have continued ever since to have faith in the project, to the extent at least of carrying the road on to the bay. At the present time we must realize the actual situation. We have gone so far with the project that to my mind we cannot turn back.

Mr. DUNNING: Hear, hear.

Mr. GUTHRIE: We are bound to go forward. If in the end it does not realize all our expectations, I believe that to a very large extent the expenditure will some day be justified. I think the government and the minister are acting wisely in making further examination and investigation in regard to what we understand is the Hudson bay route. But I do not suggest they are taking the best steps to secure satisfactory information. I have been told that aerial surveys will not prove satisfactory in regard to tides or currents or channels or ice, or the like, and that the only satisfactory manner in which this difficult water can be tested with respect to navigation is by actual navigation. I do not want to throw any doubt upon the proposal of the minister with regard to his aerial surveys, but—

Mr. DUNNING: Perhaps my hon. friend will permit me? Maybe I did not make it clear and what I am about to say will

facilitate his remarks. It is intended of course that the boat which is being sent up there specially equipped will also navigate during the whole open period in and through the strait. She is an ice-breaker.

Mr. GUTHRIE: I have heard it stated that the only reliable information we will get in regard to navigation in the strait will be through actual experience of navigation in those waters. Now I think I have seen in these estimates a very large item, about three quarters of a million dollars, which I believe is to be appropriated for aerial investigation. My information is that if a third of that amount were used in actual navigation experiments, far more satisfactory results would be obtained. Has the minister ever taken into consideration the fact that we have a considerable marine fleet unused in this country at the present time? Could not these ships be used for the purpose of experimental navigation through this channel?

Mr. DUNNING: Which ships?

Mr. GUTHRIE: The Canadian Government Merchant Marine ships.

Mr. DUNNING: There is only one unused.

Mr. GUTHRIE: Could we not take for this purpose some of the ships that are in use, or secure by purchase or charter or otherwise ships for this purpose? We could with the expenditure of a much less sum than is proposed to be expended on aerial observation get actual results in the navigation of these waters both this year and next year. That would save money, and the information we would get, I am informed by men who seem to know, would be far more satisfactory than any information we can get from aerial photographs or anything of that kind.

I think that the government and the minister are well advised to make full and careful examination before they go too far with this project. I hope that the project will be successful throughout. I have always supported it, but if some doubt has arisen in recent times as to the practicability, in fact, even as to the possibility, of successful commercial navigation of this water, no one knows of that doubt more definitely than the minister himself and the government. We have no satisfactory information yet as to the commercial practicability of this route. I agree that the road should be completed to a port; I think it would be idle to leave the road in its present incomplete condition. I agree too that the work should be expedited. I do not think that in any event the road is going to be a dead loss to the country, but I would not like to commit myself to the expenditure of a greater amount than is required to construct the road up to a port. Until we have absolutely definite information as to the practicability of navigation of the Hudson bay and Hudson strait —and the minister has his doubts on that subject—

Mr. DUNNING: Oh no.

Mr. GUTHRIE: I think the minister and the government have their doubts, and until those doubts are resolved I think we should go slow, and not proceed further than the best port on the bay. I have always understood that there were possibilities in regard to both Port Nelson and Fort Churchill, and I suppose that it was in the light of the information we had in former days, with the engineering staff we were then able to command, that Port Nelson was selected as the better port. But, so far, we know very little about Fort Churchill, and it may turn out that Fort Churchill is the better port. I do not think that anyone can speak positively as to that at present, but whichever port is selected, let us go there, and let us have pretty definite information before we launch on the larger scheme.

Mr. DUNNING: I appreciate very much the manner in which my hon. friend has received my observations on this subject. I would only point out to him that I evidently was not clear in the observations I made with reference to the work in the strait. The work in the strait, which is not comprised within this vote, of course, but which it is convenient to discuss as this stage, is not being done because the government has any doubt about the navigability of the strait. We certainly believe that the strait is navigable, and we have proof of that, of course, in the fact that navigators have been navigating the strait for the last three hundred years. We have also records of the voyages made by the ships belonging to the Department of Railways and Canals during the period when work was being done up there.

Mr. GUTHRIE: I meant commercially feasible navigation.

Mr. DUNNING: The point upon which we are desirous of securing information is as to the extent to which the period of open navigation through the strait may be lengthened at its latter end by the provision of adequate scientific aids to navigation. I do

not object to the criticism of my hon. friend with respect to the value of aerial observation. I only desire to point out this in connection with it, that we are combining the two. We are sending up a ship which will navigate between the three bases to be established in the strait as long as navigation is possible, and in addition, we are taking aerial observations. Why are we taking aerial observations? My study of the matter, involving as it did a study of the track charts of all our vessels which have ever sailed through the strait in the course of the work done up there, indicated that while there might very frequently be ice in the strait, and very considerable fields of ice in which the ship would be temporarily stuck, if the captain of that ship had only possessed a wider vision than the instruments at his command permitted, he would have found that clear water was not very far away. That is the point. The testing of the strait will place at our disposal more than the ordinary facilities which the mariner possesses, and whose observation is limited, as those familiar with ships know. But we hope by aerial observation to be able to demonstrate that that route can, with modern aids to navigation, be kept open for a much longer period than the minimum of two months. I think it is admitted by all that the route is commercially navigable for at least two months in the year, and estimates run all the way from two up to ten months. I do not propose to quarrel either with those who believe in the minimum or with those who believe in the maximum. I only say that accurate information is desirable, and we believe that by combining constant navigation by a ship with aerial observations by aeroplanes we shall be able to demonstrate the feasibility of navigating the strait for a much longer period than is commonly believed to be possible.

Mr. PETTIT: Do I understand the minister to say that the strait can be kept open for a period of ten months in the year? All the data go to show that they are open only from two and a half to four and a half months.

Mr. DUNNING: My hon. friend will find that men of some prominence in western Canada who claim to know something about the matter state that the strait can be navigated during the whole year. I am not expressing any opinion on that point; I am merely saying that it is desirable that we should secure accurate information upon it.

Mr. McGIBBON: I remember very distinctly discussing this matter with a former member of the House, the late Captain Reid, representing Queens, Prince Edward Island. He told me that he had been in and out of those straits for a great many years, and that one of the difficulties he found was that the channel was constantly shifting on account of the sand.

Mr. DUNNING: In the strait?

Mr. McGIBBON: Yes.

Mr. DUNNING: My hon. friend must have misunderstood.

Mr. McGIBBON: No, I did not. I am positive that is what he told me, and I just wanted to draw the minister's attention to that fact, because this was the opinion of a man who has been going in and out of the strait for a great many years. Has the minister any information on that point?

Mr. DUNNING: With regard to the depth of water in the strait, navigators have been passing through the strait for hundreds of years, and we have also admiralty charts and hydrographic charts showing a hundred fathoms of water there. I do not think it is less than that anywhere in the strait. That question never has been raised in practical form.

Mr. KENNEDY: Will the minister tell me if it is estimated that this $5,130,000 will complete the route.

Mr. DUNNING: The route?

Mr. KENNEDY: Yes, complete the Hudson Bay railway, and develop the port to such an extent that grain can be carried.

Mr. DUNNING: No. I think if my hon. friend had listened to my previous statement he would understand that I was very clear on that. It would finish the railway if it were built to Nelson, and provide it with terminal facilities, and would leave approximately $2,000,000 to start work on the port. I gave the figures a little while ago, which I obtained from the department, not from Mr. Palmer, based on a larger port development than we have asked Mr. Palmer to base his calculations on, and they intimated that $20,000,000 in all will be the required amount to be spent on Nelson, if that is the port decided on, and assuming that we provide for ten ships in port at one time and for a four million bushel elevator, neither of which I consider is necessary.

Mr. EDWARDS (Frontenac): How many miles is it from the end of steel to the bay?

Mr. DUNNING: The steel is at present laid to mile 350, and Nelson is 424 miles.

Mr. EDWARDS (Frontenac): And some of that is graded?

Mr. DUNNING: Yes, but the grading is in bad shape.

Mr. EDWARDS (Frontenac): In the event of Fort Churchill being decided on, can the minister give any idea at what mile he would branch off to go to Nelson?

Mr. DUNNING: It would be somewhere in the neighbourhood of mile 360, but that is not yet determined.

Mr. EDWARDS (Frontenac): I suppose the minister has it in contemplation in the event of Fort Churchill being decided on that the railway will also be completed to Nelson?

Mr. DUNNING: That is not determined, but it is a possibility of course, depending upon what the investigation reveals.

Mr. TOLMIE: The minister gave us certain opinions as to the period of navigation. He gave us the opinion of one gentleman who said he thought these waters might be navigable from ten to twelve months of the year. Is that the opinion of the captain of a prairie schooner?

Mr. DUNNING: It is the opinion of a very distinguished supporter of the party to which my hon. friend belongs, Colonel Ralph H. Webb, the mayor of Winnipeg.

Mr. TOLMIE: When you take the opinion of anyone west of the great lakes and east of the Rocky mountains it is very likely to be questioned. With those ships which the minister spoke of using up there, a draught of about thirty feet will be required at low water.

Mr. DUNNING: Thirty feet at high tide.

Mr. TOLMIE: What kind of river is the Nelson? Is it a bad river for silting?

Mr. DUNNING: That is a very important point. Our information with regards to the Nelson river is that the present natural channel scours itself. The engineering plans upon which the present scheme is based contemplate that the channel which requires to be dug will also scour itself by operation of the same agency as scours the natural channel. I may say, without criticism of any former administration, that because of the lack of engineering knowledge a sandsucker dredge was sent up to Nelson and there is not any sand to suck. It has not done any work. The material is boulder clay and the natural channel scours itself completely out to sea. It must be borne in mind that the natural channel is a narrow channel of deep water through an estuary of about from five to fifteen miles in width.

Mr. TOLMIE: What are the possibilities of fisheries? Would there be salmon canneries established?

Mr. DUNNING: The Department of the Interior has issued a publication dealing with the fisheries, timber and other resources of the region. There are fishery possibilities.

Mr. KENNEDY: Do I understand the minister to say that the plans contemplated the construction of a four million bushel elevator at Nelson?

Mr. DUNNING: What I said was that the estimates prepared by the department in connection with the present scheme, which were prepared years ago and carried forward into the figures to-day, were for a four-million bushel terminal elevator. But that in my opinion, for a test, the provision of a one million bushel elevator with quick handling capacity would be sufficient, provided it was designed to permit of extension.

Mr. KENNEDY: The government has spent about $40,000,000 on it already. Did I understand the minister to say that the one-million bushel elevator was to be built to test the feasibility of the route?

Mr. DUNNING: I think my hon. friend understands perfectly that in opening a new trade route such as this, and under the conditions which prevail, we must provide just sufficient facilities and no more to provide an adequate test. I used the word "test" in that sense.

Mr. KENNEDY: It is an experiment?

Mr. DUNNING: I will not admit it is an experiment. We expect this route to be utilized. The degree of utilization is the question to be decided—not whether or not it will be utilized. We have sufficient information now to know that it can and will be utilized. As to the extent of utilization, we require to make tests.

Mr. KENNEDY: Does the minister intend to convey to the committee that if a million bushel elevator will be sufficient to take care of the grain that is to be shipped through Nelson or Churchill, or whatever port is finally decided on, the construction of the Hudson Bay railway will be justified for that amount of business?

Mr. DUNNING: I do not expect a million bushel terminal elevator will justify the expenditure. If justification for the expenditure is required at this late date, let me state the basis upon which I would put it. I would first state it in this way; that looked at at this date, upon the basis stated by my hon. friend the leader of the opposition, we have already built a portion of the line, and we have graded the whole railway to Nelson. We have laid the steel to mile 350 and the whole line will be 424 miles. That is basis No. 1. Then I say that it is the closest seaport to the prairie regions of the middle west. The people of the west have been looking in the direction of the Hudson bay for the last forty years, and mineral developments have taken place along the Hudson Bay railway. It cuts through the mineral belt of northern Manitoba. There are pulpwood possibilities in northern Manitoba. Some of the largest water-powers we have in western Canada are situated on the Nelson and Churchill rivers. There are therefore local development possibilities. There are fisheries on the Hudson bay and in the Arctic generally, and then there is all the wealth of the Arctic products of one kind and another which would be available to a port which would be a Canadian Arctic base, and it would become a base for Canadian Arctic produce.

Mr. GUTHRIE: I think the minister is aware that Ontario, by a special arrangement, owns the right of way from the Ontario provincial boundary line through the province of Manitoba to Port Nelson. If the terminal is changed to Churchill will the province of Ontario have the right of way to the other port? There was a special reservation of a right of way in connection with the Temiskaming and Northern Ontario Railway. There was a strip five miles wide to Port Nelson.

Mr. DUNNING: I am not sure as to the position to-day of what I may call the corridor arrangement referred to by my hon. friend. I remember in the original arrangement with Ontario there was a corridor, so to speak, through Manitoba.

Mr. GUTHRIE: It is a five mile right of way.

Mr. DUNNING: That may be. However, the government would not be disposed to prejudice that arrangement in any way with respect to either Nelson or Churchill. It may have lapsed or for some other reason it may not now be in force, but the government sees no reason why the original understanding should not be carried out.

Mr. GUTHRIE: The land now belongs to Manitoba.

Mr. DUNNING: No, it belongs to this government.

Mr. GUTHRIE: When the boundaries of Manitoba were enlarged, and before the land was handed over to that province, a reservation was made by the Dominion government of a five mile strip, the rest of the territory being handed over to the province.

Mr. DUNNING: My hon. friend's memory is at fault. The lands of Manitoba are still held by the federal government.

Mr. BANCROFT: Held is a better word than owned.

Mr. DUNNING: Yes. The lands are held by the Dominion government. It is interesting to note in connection with this whole Hudson bay matter that only a week ago the Premier of Ontario announced the intention of that government to extend the Temiskaming and Northern Ontario Railway to James bay, and those of us who know anything about navigation conditions in Hudson bay realize that if a port can be built on James bay it surely can be constructed on Hudson bay, for the reason that, as is well known, James bay is a large body of shallow water twelve feet in depth. Another important point in connection with James bay—here I am speaking again of ice conditions—is the fact that the drift of ice in Hudson bay, according to our records, is down the west side of the bay and into the pocket formed by James bay. I believe I am correct in stating that ice exists in James bay and blocks the exit from James bay for a far longer period than the exit into the bay from Nelson or Churchill would be blocked. I appreciate that the object of the Ontario government may not be to create a port on James bay but rather to develop the resources between the end of the present Temiskaming and Northern Ontario line and James bay itself. What my hon. friend from Peace River (Mr. Kennedy) says is a commentary on the resources of the north country generally. However, the province of Ontario finds it desirable out of its own resources to extend its own railway to the foot of James bay.

Mr. McGIBBON: A year ago the minister informed me several times that the ex-mayor of Boniface had said that he represented a company who had the necessary capital and who were prepared to build the road without

any expense to the country at all. Is that statement true, and if so what effect has it on the situation? I interviewed the minister several times in the matter.

Mr. DUNNING: The government did not take the offer seriously.

Mr. McGIBBON: But was it made?

Mr. DUNNING: If you can call it an offer, yes. The complete details of it have gone from my mind, but certainly it was not an offer that could be seized by the government.

Mr. BROWN: Did they want the water-powers on the Nelson river?

Mr. KAISER: Does the minister think that one year's investigation with an aeroplane will settle any of the points in dispute in regard to Hudson strait. I am informed it would take a number of years to dispose of many of the points touching the navigation of the strait and I would refer the minister to some of the writings of Mr. J. B. Tyrrell, an old and personal friend of mine with whom I had a conversation not many days ago. There is not a man living who has spent as much time studying the Hudson bay as he has and his writings convince me that in his opinion the straits would not be navigable for more than two or three months in the year. As a Canadian and the representative of a constituency in Ontario I am inclined to think that in regard to all these young dreams of the people of Canada—

Mr. DUNNING: This is not a young dream, it is an old one.

Mr. KAISER: It may be old with the minister but it is by no means an old dream so far as the expending of millions of dollars of the people's money is concerned. One-half of the money that is to be spent in this undertaking will be raised by the people of Ontario.

Some hon. MEMBERS: No.

Mr. KAISER: The people of Ontario do not object to paying for anything that will make for the development of Canada as a whole but they are entitled to have some basis for their faith, and no effort has been made to inform either Ontario or Quebec regarding the merits of this proposition. It seems to me that we might investigate the question more in detail and, as the leader of the opposition suggests, ascertain by actual experiment whether or not the strait is navigable. If it is navigable we are willing to support the scheme. I go home every week and am constantly in touch with the people of my constituency and I run across men everywhere who are opposed to this undertaking. They consider that the government has not furnished them with sufficient information. I confess in my own case also to a want of knowledge of the subject. All I know is that the minister came here heralded as the man who was to put this business through.

Mr. DUNNING: Who me?

Mr. KAISER: But his faith is not quite so strong to-day as it was a year ago. He was satisfied then that the proposition was sound.

Mr. DUNNING: I am now.

Mr. KAISER: Now he says he is willing to have but one million bushel elevator and to try it out. There is no doubt that you could build an elevator at Port Nelson and construct the railway but it is doubtful whether the expenditure would be justified in view of the fact that many points that should have been investigated have not been fully gone into. Last year I read in Hansard a speech delivered by the Minister of Agriculture in which there were certain statements in regard to Nelson harbour that amazed me. He pointed out many things I did not know before. Where is this big dredge of which he spoke? I am told it is stranded up there and that it is impossible to reach it. We think that sufficient time has not been taken in investigating some of these matters. In Ontario we would like to support anything which is to the benefit of Canada, but we think we might go a little slow for a year or two and be more sure of our ground.

Mr. DUNNING: That sort of criticism compels me to say that if the investigation which this government has prosecuted and is prosecuting had been made at the inception of the work, a great deal less money would have been spent and we would have known more about the project. The responsibility for that condition cannot be laid at our door.

Mr. KAISER: We are not laying it there.

Mr. DUNNING: So far as the dredge is concerned, that sandsucker cannot be attributed to us, whatever our sins may be. With regard to the terminal elevator, I may say that in devising the instructions to be given Mr. Palmer I had in mind the attitude expressed from the opposite side of the House last year, which attitude then was, "Well, we are satisfied to let you go ahead with this thing provided you keep your initial expenditure to a minimum and increase your facilities

only as the need for them is demonstrated." In speaking of a one million bushel elevator instead of a four million bushel elevator I was endeavouring to meet the views of those who held that opinion, and to-day I am accused of weakening in my faith in the project because I am trying to meet the views of those who desire us to investigate and know where we are going before we start out.

In connection with that million bushel elevator may I give some information as to what is possible with a fast-handling elevator of small capacity? The Department of Railways and Canals are to-day administering the elevator at Port Colborne. This elevator was first built, I believe, as a million bushel unit, and has since been increased to three million bushels. Do you know how much we put through that elevator last fall? We put through 62,000,000 bushels, and that is what can be done under modern conditions with a relatively small plant with fast handling capacity. I think those members from the west at any rate will concede that while I may speak with deference of engineers and others on the subject of port development, I do know something of the operation of elevators, and when I say a one million bushel elevator is sufficient to give a fair trial to the Hudson bay port, I think hon. members may be prepared to take my word in that regard.

Mr. EVANS: I was very much pleased, Mr. Chairman—

Mr. CANTLEY: I think the attitude developed by the minister within the last year is admirable.

Mr. DUNNING: It was not developed in the last year.

Mr. CANTLEY: There is quite a change in his attitude to-night as compared with his attitude of a year ago, and I congratulate him on it. He has been very frank in regard to a great deal of information which he has given us, for which I also thank him. May I now ask the amount spent on dredging at Port Nelson? I noted down the figures which he gave, but I think I was mistaken as to the amount.

Mr. DUNNING: In actual dredging $89,000 exclusive of the cost of equipment.

Mr. CANTLEY: What does the minister estimate as the cost per cubic yard of dredging still to be done at Nelson?

Mr. DUNNING: The departmental estimate is $1.60 per yard. In that connection I may tell my hon. friend that all the work which has been done at Port Nelson up to date has been done without a railway back of the port; it has been carried out subject to whatever disadvantages there may be in navigating the strait of which we have been speaking, and it has all been done from the sea end. The department is not inclined to be positive about that figure of $1.60 per yard; with regard to the island dredging the figure is $1.20 per yard. I think the first figure is higher than the cost of any other dredging in Canada; I do not know of any dredging which actually costs as much as the department has allowed in that estimate. I am not an engineer, but my opinion is that the unit cost is altogether too high.

Mr. CANTLEY: I think the minister is quite correct; I think it is about four times as high as any dredging I am aware of.

Mr. DUNNING: Yes; conditions are different.

Mr. CANTLEY: That depends upon conditions. The distance which the material has to be moved in view of the conditions prevailing, is simply enormous.

Mr. DUNNING: That is it.

Mr. CANTLEY: Are these to be steam operated dredges?

Mr. DUNNING: Yes.

Mr. CANTLEY: How will the coal come in?

Mr. DUNNING: We are hoping to bring it in from Nova Scotia by sea.

Mr. CANTLEY: That is interesting, and I am glad to know it; I thought you were going to bring it down by rail from the northwest. I asked that question seriously because I really thought the coal would come down by rail.

Mr. DUNNING: It may be done either way, whichever is the most economical.

Mr. CANTLEY: The information which the minister gave as to the effects of the spring break-up of the Nelson river is very different from my previous understanding.

Mr. DUNNING: I did not speak of that.

Mr. CANTLEY: I understood the minister to speak of the effects of the spring break up, and to say that the channel cleaned itself.

Mr. DUNNING: That is the scouring.

Mr. CANTLEY: As to the break up of the Nelson river in the spring. I understood that when the Nelson broke up in the spring it went on a wild rampage, with the result that

the channel shifted year by year. I understood that the estuary of the Nelson river was something like that of the Nile, that it was wide and shallow, and that the channel shifted from year to year; that was my previous understanding, although I may be wrong. I would like to know if the minister has any definite information on that point.

Mr. DUNNING: As Mr. Palmer intimated in his letter to me, the existing data at Nelson, due to the years of work and observation done there, is considered fairly authentic. I may say that the original hydrographic chart made prior to the time of the selection of the port has been proved to be wrong, or at least a better channel than the one indicated on the hydrographic chart has been discovered over part of the course. So far as the scouring is concerned, I would point out to my hon. friend that that goes on continually. That is not a matter of opinion; it is a matter of scientific fact ascertained through years of observation.

Mr. CANTLEY: I am not finding fault with it or challenging that in any way. I understand that a tremendous volume of water does come down the Nelson river during the spring break-up. I have not been there, but from what I have read—and I have read quite a deal about it—the river brings down enormous masses of ice and with them a considerable quantity of small boulders and stones. As I say, it goes on a wild rampage and very often entirely changes the channel from the course of the previous year.

Mr. DUNNING: That is not correct.

Mr. CANTLEY: The minister may be right in that statement but I doubt it. In reference to the vessel he is sending up, I understand it to be the Stanley?

Mr. DUNNING: Yes.

Mr. CANTLEY: The Stanley is the best ice-breaker we ever had in the maritime provinces. That vessel is now thirty-eight years old, and I understand a considerable amount of money is being expended in reconditioning and strengthening the vessel. Is it the intention to keep the Stanley in the bay during the winter?

Mr. DUNNING: Not in the bay, but at a base in the straits.

Mr. CANTLEY: The object being what, may I ask?

Mr. DUNNING: If my hon. friend will permit me to answer, perhaps I did not state it clearly previously. The vessel will continue to cruise in the strait; we are not interested in the bay, because the strait represents whatever problem there is. The boat will cruise in the strait as long as possible and will then tie up at one of the three bases that are to be established, until it is possible for her to cruise again.

Mr. CANTLEY: I thank the minister; I was not sure as to what was intended. May I ask the minister how many tugs and scows will be required to carry on this dredging work?

Mr. DUNNING: I should state here, with respect to the estimated cost of dredging, that one of the factors which make it so high in the opinion of the engineers of the department is the necessity of carrying the dredging material over twenty miles by scows before it can be dumped. The estimates include provision for 12,500 yards dump scows, and four large flat dump scows. That is the equipment contemplated by the department. Again, that is all subject to revision of the plan of port development.

Mr. CANTLEY: And the tugs to handle the scows?

Mr. DUNNING: There will be six tugs of the same size as the one we have there.

Mr. BIRD: What is the labour factor in the estimates?

Mr. DUNNING: The $1.60 includes labour. There is no separate estimate for labour.

Mr. GOTT: How many tugs and dredges are on the spot at the present time?

Mr. DUNNING: I think we have three tugs there now. It is very difficult for me to give a positive answer to my hon. friend's question offhand, because we may be able to take up there equipment now being used elsewhere. We have a dredge at Halifax which can be taken up there.

Mr. BIRD: Is the labour factor estimated at the ordinary wages for that kind of labour?

Mr. DUNNING: The experience before was that we required to pay higher than the normal rates for similar labour. As to whether that condition will prevail when we have a rail haul behind us, it is not possible at this time to say.

Mr. EVANS: I was pleased with the minister's statement when this item was called. While the plans do involve, perhaps, delay, and no doubt there will be some impatience on that account throughout western Canada, I believe that the reasonableness of the whole thing will appeal to the people there, and

that they will see that the government is taking the best means possible to make the route what they have always expected it would be, one of permanent benefit to the west. I think the government is taking the right means in getting all the necessary data now before large expenditures are incurred, and I am sure the rest of Canada will see before long that the project is worthy of being completed.

Mr. PETTIT: I am not opposed to the project at all; I may state frankly that I am absolutely in accord with the completion of the railway to the bay, but I would ask how long this ship is to be employed in connection with the gathering of data in the straits.

Mr. DUNNING: The provision we are making is in the marine estimates and it is really out of order to discuss the matter at this point, although, of course, it is inseparable from the main project. The provision we are making is calculated on the basis of having the outfit up there in the strait for a year.

Mr. PETTIT: Does the minister not think it would be very much wiser to have the investigation extend over a period of five years? The periods of navigation may vary from year to year so that in order to obtain a definite result the gathering of data, in my humble opinion, should extend over a period of at least five years.

Mr. DUNNING: In that connection I have in mind, of course, that this money is voted by parliament each year,—it is not under a statute. In connection with the bases being established we are keeping in mind the factor of possible permanent requirements. I am glad to have this much encouragement from my hon. friend, because it may be necessary to come back another year for a considerable sum of money. The vision of my hon. friend in regard to the matter is of a practical character. While the same type of investigation may not require to be carried on after the first year, the work of the first year will demonstrate what is necessary to be done in succeeding years, and on that basis we will come to parliament again.

I have now information as to the point raised by the leader of the opposition with regard to the Ontario corridor. The corridor was to the south side of the river opposite Nelson. That is it ran from the Ontario-Manitoba boundary to a point on the south side of the Nelson river opposite Nelson. If Churchill were to be selected the understanding at the time was that running rights should be granted to an Ontario railway if the province so desired; but no corridor was provided beyond the point opposite Nelson on the south side of the river.

Mr. KENNEDY: I should like to ask the minister if an economic study has been made of the effect of the operation of the Hudson Bay railway on the other railways hauling out the produce of western Canada to the Atlantic?

Mr. DUNNING: We are endeavouring conscientiously to make an economic study of that matter. We expect that the natural growth of development in western Canada will justify every outlet that can be provided.

Mr. KENNEDY: Does the minister contend that this outlet is necessary because the other railways hauling out the wheat and grain of western Canada to the head of the lakes are overloaded, or will be overloaded in the future?

Mr. DUNNING: Well, we are managing to keep them pretty busy, increasingly busy. They are paying their way. I have not, of course, the vision of a prophet, but I have seen the growth of western Canada during the last twenty-five years, and I expect fully that the development of this route will not prejudicially affect other routes any more than the remarkable development of western traffic to Vancouver and Prince Rupert has had a prejudicial effect on the eastbound movement.

Mr. FORKE: I should like to tell the hon. member for Peace River that at certain periods in the year a train of wheat cars leaves Winnipeg every twenty minutes. That will give him some idea of the extent of the traffic.

Mr. KENNEDY: I am anxious, Mr. Chairman, to understand the basis upon which we are justifying this railway. I am doing so for the simple reason that I also am interested in railway construction and would like to see the same principle applied. Again I would ask if it is not a fact that the railways at the head of the lakes are capable of handling far more traffic than they are now handling at any season of the year?

Mr. FORKE: No, they are not.

Mr. DUNNING: I will not enter into a dispute with my hon. friend with regard to that point. I think the construction of this route can be justified on grounds altogether outside of its possibilities for hauling grain.

Mr. GUTHRIE: Hear, hear.

Mr. DUNNING: In fact I do justify it on other grounds. I hope it will prove a very

successful grain and cattle route. If it does not, I am still convinced it will be justified in its contribution towards the development of Canada's northland, and especially on the basis of Arctic trade.

Mr. CAMPBELL: I should like to remind my hon. friend from Oshawa that this railway has been more than paid for by the sale of western lands set apart years ago for that purpose.

Mr. STEVENS: Let us carry it then.

Mr. CAMPBELL: My hon. friend mentioned Mr. Tyrrell's report, which, he said, was his authority for stating that the strait was open only two months each year. Mr. Tyrrell points out in his report that he estimated there were only two months in the year when a vessel could not pass through the strait.

Some hon. MEMBERS: Carried.

Mr. KENNEDY: I have heard it stated on numerous occasions that lands were set aside in the three prairie provinces and that the money accruing from their sale has paid for the Hudson Bay railway. Is that a fact?

Mr. DUNNING: Mr. Chairman, I do not desire to detain the committee by going into ancient history. Whatever may be the case in that regard does not in my opinion have any bearing upon the present occasion. There is, however, ground for the belief stated by the member for Mackenzie that certain legislation was enacted many years ago, it was understood, to set aside lands which would afterwards be sold instead of being given away, the proceeds to be applied to take care of the construction of the Hudson Bay railway. The proceeds of those lands have never been set apart in any trust fund for the purpose, but certain it is that the understanding at the time was that this change in Dominion land legislation was for the purpose of securing from western lands a sum of money which would reimburse the Dominion for its expenditure in connection with the Hudson Bay railway.

Mr. KENNEDY: I should like to call the minister's attention to the fact that about one-third of those lands were in the province of Alberta. I think it has some bearing on some other questions that are likely to come before the House.

Item agreed to.

[Mr. Dunning.]

To provide for the establishment of a patrol service to investigate the conditions of navigation in Hudson strait and Hudson bay, $850,000.

Mr. DUNNING: Mr. Chairman, seeing that we have discussed item 221 on the previous vote, I think we may as well dispose of it while we have all the material before us. I think in fact the explanations in connection with it have all been given.

Mr. ROSS (Kingston): I understand that tenders were called for the aerial work.

Mr. DUNNING: No, it is being done by the air service. The procedure followed was to appoint an interdepartmental committee consisting of an engineering representative from the Department of Railways and Canals, a marine man from the Department of Marine and Fisheries, and a representative from the air service. The report from that committee was the basis for the plan of the aerial work. The work is to be done by the air force.

Mr. ROSS (Kingston): My question has nothing to do with the principle of the Hudson Bay railway. I understand estimates were called for from the air service of the Department of National Defence and the air service of the Marine and Fisheries department. Were such estimates asked for and given?

Mr. DUNNING: The Marine department of course has no air service. The basis of this estimate is the estimate of the air service itself for the work so far as the air part is concerned.

Mr. ROSS (Kingston): I think there is an officer in connection with the air service of the Marine and Fisheries department and one in connection with the National Defence department.

Mr. DUNNING: No, it is all under the Department of National Defence. The Marine department use this service of course.

Mr. ROSS (Kingston): Is that correct? Because I understand two very widely different estimates were given, and that there is a man in connection with the Marine and Fisheries department in charge of the air service.

Mr. DUNNING: I think my hon. friend must have misunderstood, and that he refers to the air service in the radio sense. That is, the radio service is under the Marine and Fisheries, but there is no aeroplane service under that department.

Mr. ROSS (Kingston): Is it the intention to establish stations for radio service?

Mr. DUNNING: Radio communication, yes.

Mr. ROSS (Kingston): That is where the estimates may have come in in connection with this service.

Mr. DUNNING: It is to cover everything required.

Mr. ROSS (Kingston): I understand that the radio service of the National Defence department could be given to this work for about one-tenth of the estimate furnished.

Mr. DUNNING: The estimates in toto were worked out by the inter-departmental committee consisting of a representative of the air service, a representative of the Marine department and a representative of the Department of Railways and Canals. I shall be very glad to look into the point raised by my hon. friend, but I do not think he is correct. The material from these various departments was assembled by the inter-departmental committee to make up this estimate.

Mr. ROSS (Kingston): Who is the officer in charge of the radio service of the Marine and Fisheries department?

Mr. DUNNING: Commander Edwards.

Mr. ROSS (Kingston): Will the minister assure me that estimates were not asked for from the radio service of the National Defence department and from the Marine and Fisheries department?

Mr. DUNNING: I understand the two matters do not clash. All I can say at the moment is that I will look into the point raised by my hon. friend.

Mr. ROSS (Kingston): Under some other item will the minister be able to give to the House the two estimates?

Mr. DUNNING: If they exist, yes. We are not clearly understanding each other, but I will endeavour to get the information my hon. friend desires.

Mr. PETTIT: I understand that the period to be covered by Mr. Palmer's investigations will be about five years?

Mr. DUNNING: No. I do not expect Mr. Palmer wil cover more than a month or six weeks including the time already spent.

Mr. PETTIT: Is it the intention of the minister to follow up the present expedition in the strait with another next year, another the following year, and so on for five years in order that he may have sufficient data before undertaking the construction of any of the large terminals in the bay?

Mr. DUNNING: My hon. friend misunderstood what I said. We intend to go ahead with the railway and port development as expeditiously as possible. With regard to the strait—and Mr. Palmer's investigation has nothing to do with the strait; we are not asking about that—we will be guided in our future proposals to parliament by what we discover during the first year of the aerial and marine survey.

Item agreed to.

Trent Canal—construction and betterments, $19,000.

Mr. McGIBBON: Where is this money being spent?

Mr. DUNNING: On the Trent canal. The total amount of $19,000 is entirely a revote from last year. It is made up from the following items: Erection of lockmasters' houses, $9,000; payment for land damages, $10,000. The lock houses are to be built at lock No. 6 at Frankford, and at lock No. 12 at Campbellford. As the lockmasters are expected to be available at all hours of the day or night, it is necessary that they should reside close to the locks, and there are no houses available near these places. With regard to the payment for land damages, a number of claims for land damages on the Eastern and Severn divisions are still outstanding, and every year new claims are presented for various reasons, such as the loss of power, the flooding of land, expropriation of land, and so forth, some of which are allowed. The amount asked for is to pay such claims as may be settled during the next fiscal year.

Mr. McGIBBON: I want to ask the minister a question, although I do not suppose it is much use. After all the years during which this canal has been in course of construction and the large amount of money that has been expended upon it, and considering the fact that there are only a couple of locks left to build in order to reach the Georgian bay, does he not think it is wise to complete the canal, and will he not consider that in the near future? I really do not think the minister should be prejudiced in the matter, because the government have been spending money pretty lavishly this year on nearly everything that has come before parliament. I would also draw his attention to the fact that as a revenue producer the tourist business in Canada now stands third, and in the future it is likely to stand still higher. If this canal had to be started now, I do not think anybody would advocate its construction, but

considering the fact that it is nearly completed, cannot the minister hold out some hope at least, since he is spending millions on the Hudson Bay railway and everything else, that the small remaining portion will be completed?

Mr. DUNNING: I was rather emphatic in my reply to my hon. friend on a previous occasion that I could not see my way clear to recommending to the government the completion of the Trent canal, but I assure him that that attitude on my part was not based on any prejudice whatsoever. I am endeavouring to look conscientiously at the economic factors involved. Perhaps I should say to my hon. friend that the door is never closed; that is to say, if it can be demontsrated to me as sound and in the interests of Canada, I shall be very glad indeed to give such consideration to the representations as they seem to warrant. I am informed by our chief engineer, who is speaking from memory, that $3,000,000 would be required to complete the Trent canal.

Mr. McGIBBON: It might cost that, but what was the use of building it this far if you do not complete it? This canal was started about 125 years ago, and every government has committed itself to it up to the present time. The important part of it, to my mind, excluding the power, has yet to be constructed, important that is from a revenue-producing standpoint, because once you get to the Georgian bay with the canal you would open up a large tourist traffic from the great lakes, and especially from the cities on the other side of the lakes. If these two remaining locks were completed I think that indirectly the country would gain considerably because of the tourist traffic, which is becoming one of our largest revenue producers.

Item agreed to.

To pay claim of F. A. Robertson and Company, $14,029.96 and interest on same at rate of 5 per cent per annum from July, 1919, $19,641.94.

Mr. GUTHRIE: What is this for?

Mr. DUNNING: This is to pay the claim of F. A. Robertson and Company, arising out of the contract for the construction of section No. 3 of the Ontario-Rice Lake division of the Trent canal. I have here a lengthy memorandum from the engineer as to the case, and if the committee will bear with me, I will read it.

Mr. GUTHRIE: There is evidently a lot of interest taken in the matter, and perhaps the minister had better read it.

[Mr. McGibbon.]

Mr. DUNNING: The contract was entered into with the Canadian General Development Company, Limited, away back in 1908, the compensation being schedule rates. The superintending engineer's estimate of the cost of the work was $304,196, and the extended totals of all tenders received were as follows

David Conroy, Peterborough, Ontario	$410,715 10
Brown and Aylmer, Toronto, Ontario	404,580 00
Orillia Construction Company, Orillia	360,628 00
O'Leary Brothers, Ottawa, Ontario	297,197 00
Canadian General Development Company, Limited, Montreal, Quebec	289,520 20

With the consent of the minister, the Canadian General Development Company, Limited, contract was assigned on February 9, 1914, to Fred A. Robertson and Company and the section was completed in July, 1919. The total amount of the final estimate was $292,552.92.

When Fred A. Robertson and Company took over the work, practically everything had been completed with the exception of the dredging shown on the plan exhibited at the time tenders were called. The extent of the dredging was, however, somewhat misleading, as, about one and a half years after the Robertson Company commenced work, sweeping operations revealed that there were many places in the channel requiring shallow cutting which had not been shown on the plan. Besides these shallow cuttings, the dredging was further extended in the interests of navigation by widening some of the shallow cuts more particularly at curves in alignment.

In June, 1921, the contractors filed their claim which is still outstanding and includes;

1. Payment for the dredging not shown on the exhibited plan at an hourly rate for plant.
2. Payment for all hardpan material in the dredging shown on the exhibited plan at an hourly rate for plant.

The net amount of their claim was $44,251.82, and that is the reason why the claim has not been met up to the present time. The difference between the amount of the claim and the amount of the final award by the chief engineer is the difference between $19,000 odd and $44,000 odd, and I should add that the $19,000 includes interest also.

Mr. McGIBBON: Was this amount agreed to by both parties?

Mr. DUNNING: They finally agreed to accept this amount.

Item agreed to.

To pay claim of Dennon and Rodgers $8,386.64 and interest on same at rate of five per cent per annum from December 31, 1918, $11,966.47.

Mr. DUNNING: This is a similar claim made under somewhat different circumstances. In this case the original claim was for $98,000,

but in the years that have elapsed while negotiations were going on the amount has come down until now we are suggesting a settlement of $8,386.64 and interest.

Mr. McGIBBON: Am I to infer from the minister's remarks that this was a fake claim? The original claim was for $98,000.

Mr. DUNNING: Oh, no, no.

Mr. McGIBBON: Why would they accept such an enormous reduction? It seems to me something must be wrong.

Mr. DUNNING: In May, 1919, the contractors filed claims for payment, which claims, with some alterations, were referred in September, 1924, to the Exchequer court. Subsequently an examination for discovery was held before the registrar of the court, but the case has not yet been set down for trial. The defence of the department rests on the terms of the contract and specifications.

Mr. GUTHRIE: Just as it is?

Mr. DUNNING: Yes.

Item agreed to.

Welland ship canal—construction, $14,500,000.

Mr. GUTHRIE: Is this under contract?

Mr. DUNNING: Yes.

Mr. EDWARDS (Frontenac): Have Peter Lyall & Son completed their contract on sections 3 and 4 of the canal?

Mr. DUNNING: No.

Mr. EDWARDS (Frontenac): It was a part of the contract that they were to take over the plant and stores owned by the government and were to pay $450,000 for them.

Mr. DUNNING: We will get the exact amount, but it was more than that. I think it was over $2,000,000.

Mr. EDWARDS (Frontenac): It was to be taken out of the progress estimates, some $45,000 each month, and if that arrangement had been carried out they would have paid for the plant long ago. But an order in council was passed—and I speak subject to correction—in January 1924, releasing them from making these payments or these deductions for a period of ten months. Has this contracting firm paid back to the government the amount which the contract called for them to pay in monthly instalments? If they have not carried out their contract in that respect, how much is still owing to the government, in capital, in principal and in accumulated interest up to date? What provision is being made, if any, by the government to see that the contracting firm of Peter Lyall & Son meets its obligation in accordance with the terms of the contract entered into on the 27th of June 1922?

Mr. DUNNING: I have not the detailed information before me, and I can only speak in a general way. It is true that, on several occasions since the contract was entered into involving the taking over of old machinery, large extensions of time for payment have been granted. Up to the present, speaking from memory, about one-half the amount has been paid, but the security held in the way of drawbacks on what is due the contractor, together with the value of the plant, is quite ample to protect the government. We have in addition the security of a deposit of over half a million dollars.

Mr. EDWARDS (Frontenac): Is the security which has been deposited the general deposit put up by any contractor when he enters into a contract?

Mr. DUNNING: For the completion of the contract, which includes this equipment.

Mr. EDWARDS (Frontenac): My understanding was the amount put up by Lyall when he entered the contract, the usual ten per cent—

Mr. DUNNING: Five per cent.

Mr. EDWARDS (Frontenac): —was not supposed to cover the equipment, the plant and stores which he was to take over. I should not think it would. Are the plant and stores that Lyall took over from the government still there? Or can the minister inform me whether or not this contracting firm, although they have not met their obligations in regard to the payment for this plant and stores, have disposed of a part of the plant and stores?

Mr. DUNNING: Any plant disposed of has been replaced by a new plant on the work, and we have a mortgage on all the contractors' plant, including replaced plant. It is considered by the department, by the engineers and the deputy minister, that we have ample security, so ample indeed that if this particular contractor fell down on his contract now we could well afford to finish it ourselves, be amply secured and have something over.

Mr. STEWART (Leeds): One question arises properly out of this expenditure. The completion of the Welland canal will involve the construction of a lake terminal, and I

understand a committee has been appointed consisting of three representatives, one from the Department of Railways, another from the Department of Public Works, and a third representing the railways, to consider the location of the terminal port. I am interested, of course, in the town of Brockville. There are other points that are interested in the same matter, namely, Kingston and Prescott. Will the location of this terminal be in any way affected by the size, the number, the personnel, or the political complexion of delegations who wait upon the department, or will it have regard to the respective advantages of these particular places? I would hope that it would be disposed of on the basis of the economic merits of the different places.

Mr. DUNNING: I think my hon. friend is aware of the answers which as minister I have given to several of the delegations to which my hon. friend has referred. The answer is that we are not determining this question on the basis of representations made by those representing very worthily particular localities which are naturally looking after their interests to the best of their ability, but rather on the basis of an economic study. I think my hon. friend is familiar with the important questions involved, as they relate to the trade of Canada, particularly in the transportation sense, and it is the endeavour of the department concerned to deal with it on that basis, and having regard to that factor only.

Mr. STEWART (Leeds): That is quite satisfactory.

Mr. DUNNING: As to what may be done, it is a little early yet to indicate. But if as a result of what is determined upon, it is necessary for the Department of Railways and Canals to do anything this year, we can utilize a portion of the fund now voted for the Welland canal, because any work which is done is really a continuation of the Welland canal. We do not expect however, during the current fiscal year any expenditure under this head to amount to anything.

Mr. STEWART (Leeds): When does the minister expect to have the information which will enable the government to decide the location of the terminal?

Mr. DUNNING: It will be two or three months in any event.

Mr. STEWART (Leeds): That is satisfactory.

[Mr. H. A. Stewart.]

Mr. DUNNING: And it is not a matter we should jump at, because the Welland canal will not be completed until 1930 if we keep up our present schedule. But it was thought desirable to investigate thoroughly this other important factor before the completion of the Welland canal.

Mr. SPENCER: What is the estimated total cost up to and including 1930?

Mr. DUNNING: About $115,000,000.

Mr. GARDINER: What has been spent up to the present time?

Mr. DUNNING: The amount I have given does not include terminals. The terminals to the foot of lake Ontario is a matter for consideration.

Mr. GARDINER: What is the cost to date?

Mr. DUNNING: $75,000,000.

Mr. GARDINER: Does the $115,000,000 include interest on the money spent all these years, or is it for bare expenditures?

Mr. DUNNING: Just expenditures.

Mr. GARDINER: What is the estimated amount of interest charges against that money?

Mr. DUNNING: The money is paid by the Department of Finance from time to time. We have in our department no calculation of the interest.

Mr. GUTHRIE: The minister made a remark regarding which I wish to have an explanation. I understood him to say that out of this vote of $14,500,000 which we are now making for the Welland ship canal construction there would be enough to provide for work in connection with lake terminals if necessary.

Mr. DUNNING: I did not mean to imply that. I meant rather that any necessary preparatory work, the taking of bearings for example, the determination of the nature of the works and any incidental expenses of that character would be taken care of out of this vote. We could not of course without coming to parliament spend the money on work in connection with the terminals.

Mr. GUTHRIE: I question very much whether you could take any money for the purpose out of this vote. What would the Auditor General say if you did?

Mr. DUNNING: If he decides that we cannot, then that settles it.

Mr. GUTHRIE: If the money is voted for the Welland canal construction that is the only purpose for which it can be used. I have always been under the impression that money voted in that way could not be used for any other purpose.

Mr. DUNNING: In mentioning the matter I had in mind preliminary work at the eastern end of the Welland canal.

Mr. GUTHRIE: What about work at Kingston or Brockville, say?

Mr. DUNNING: If the Auditor General objects we cannot spend the money. One of my objects in mentioning the matter was to make it clear to the committee that it was our intention to move forward and secure actual data upon which to base conclusions in the future.

Mr. STEVENS: You would have to take it out of miscellaneous.

Mr. DUNNING: Perhaps so.

Mr. GUTHRIE: Unless the rules in the Auditor General's department have been relaxed, I do not think you could spend the money in this way. In former days we were held strictly to account in matters of this kind.

Mr. DUNNING: The Auditor General holds me just as strictly to account and I do not expect to get past him. I thought however that reference to the matter in parliament might clarify the situation in that regard.

Mr. KENNEDY: Is the new Welland canal being built on a scale which will enable it to fit in with the larger scheme of deepening the St. Lawrence?

Mr. DUNNING: Yes, or rather it is the other way. Unfortunately the Welland canal is larger than the capacity of the other waterway. Our engineers insist that the Welland is taken as a model for the other scheme.

Mr. KENNEDY: Will the Welland canal be required after the larger scheme is completed?

Mr. DUNNING: There may be considerable argument as to the degree of requirement. It will move the present head of deep water navigation from Port Colborne to some other port. As to where that point will be is a matter for inquiry and decision later on. But our largest lake vessels will find it possible to go, instead of to Buffalo or to Port Colborne as at present, through the Welland and up to the eastern end of lake Ontario.

Mr. KENNEDY: Would there be any saving as between the fixed charges on the new Welland canal and the extra cost of handling through the present canal?

Mr. DUNNING: My hon. friend forgets that we do not charge anything for canal operation. Canada operates the canal and gives the service free.

Mr. KENNEDY: It must cost something even if the service is given free. Will the fixed charges in connection with the new Welland canal be any greater than the cost involved in this free service of which the minister speaks?

Mr. DUNNING: Obviously, of course, you cannot spend $115,000,000 without creating higher fixed charges than were paid before that money was spent.

Mr. GARDINER: That is not the point. Will there be any saving as a result of the construction of the new canal? By virtue of the new canal being larger, will the saving be equal to the fixed charges?

Mr. DUNNING: I cannot agree with my hon. friend if he says that is the point. No one not gifted with prophecy could possibly answer this question. The present Welland canal is congested to the very last degree, and besides, it is too shallow.

Mr. SPENCE (Maple Creek): What is the depth of the new canal?

Mr. DUNNING: Twenty-five feet. The locks are thirty.

Mr. GARDINER: When the new Welland canal was first projected certain estimates were made of economies in freight rates on grain and other commodities. No doubt the minister has those estimates on file in his office; he may possibly have them with him to-night. It would be interesting to find out what saving it is expected will be made in consequence of the deepening of the canal.

Mr. DUNNING: I have not the information here. I admit its bearing upon the project as at first introduced, but I suggest that once we have spent $75,000,000 in the undertaking we cannot leave it incomplete. The question is whether we shall finish it or abandon the work that has already been done. We cannot take advantage of that work unless we complete the project, and we cannot continue using the present canal indefinitely. The present canal is being maintained on an operating basis in anticipation of the completion of the new one.

Mr. SPENCE (Maple Creek): What differences will there be between the new canal and the present waterway in regard to locks?

Mr. DUNNING: The difference will be eight locks as against twenty-six, and eight hours instead of fifteen in the passage of vessels through the canal.

Mr. GARDINER: Has the minister any information to give in regard to facilities further down the lakes to take care of traffic? What will be the ultimate cost?

Mr. DUNNING: What cost?

Mr. GARDINER: The cost of the elevators at the points where the new headquarters will be.

Mr. DUNNING: That is under consideration at the present moment.

Mr. JELLIFF: What portion of the canal has already been constructed and how many more years will it be before the work is completed?

Mr. DUNNING: The whole work is now under contract, and we anticipate that it will last another three years.

Mr. ROSS (Kingston): May I ask the minister if the department has taken into consideration the length of time required in the preparation of a terminal, whether temporary or permanent?

Mr. DUNNING: Of course I appreciate my hon. friend's interest; his question is very intelligent, emanating as it does from the hon. member for Kingston, one of the points which would be very materially affected by our decision. The factor to which he refers is being taken into account in the investigation now in progress.

Mr. ROSS (Kingston): I feel sure that we can trust the minister, but the point I had in mind was that the canal is expected to be open in 1930. Supposing it takes longer than two years to prepare a terminal, what will happen to the traffic going through the canal in the interval between the completion of the canal and the completion of the terminal?

Mr. DUNNING: Our engineering advice is that there will be no difficulty in providing the necessary new terminals in the time still available.

Mr. CHURCH: The minister says the canal will not be completed until 1930. I would point out to him that over two billion dollars has been spent on railways in Canada while only about one-tenth of that amount has been spent on canals. It is very important to the people of Canada that this canal be completed with all convenient speed, because this canal provides most of the revenue so far as the Department of Railways and Canals is concerned. The rapid completion of this canal is of the utmost importance not only to Ontario but to the transportation of the whole Dominion. Last year the old canal handled nearly six million tons, and there has been a yearly increase of twelve and one-half per cent. The work of building the canal has been proceeding since 1913, and we are told now that it will not be finished until 1930, or seventeen years in which to build a canal about twenty-seven miles long. The annual report of the minister is very encouraging with regard to the work accomplished, but I am sorry I have not before me the figures from the Bureau of Statistics. I may tell some of my hon. friends to my left that this is an economic canal and will be a very great help when finished. Therefore I would urge upon the minister the necessity of finishing the construction of this work as rapidly as possible, and to try and complete it before 1930.

Item agreed to.

Lachine, improvements, $76,000.

Mr. GARDINER: What improvements are contemplated?

Mr. DUNNING: This is one of the important St. Lawrence canals at Montreal. The present Lachine canal power house cannot continue in operation without extensive repairs, and even after such repairs the fire hazard in the oil-soaked timber portions of this old building would be unwarranted. It is therefore proposed to construct at Cote St. Paul a new power plant to replace the present Mill street plant. That is the major portion of the expenditure.

Item agreed to.

St. Peters Canal—to pay to the Atlantic Dredging Company further interest from July 16, 1926, at rate of 5 per cent per annum on claim of $12,151.96, $607.60.

Mr. GARDINER: What is this?

Mr. DUNNING: This is interest on the item included in the estimates last year, which was not paid owing to the fact that the estimates were not passed.

Mr. MACDONALD (Richmond): Might I ask the minister what his claim is?

Mr. DUNNING: I am afraid I have not the data with me here, because it was dealt with very fully in the estimates of last year; I remember giving an explanation at that time. This is simply interest on the money not paid because last year's estimates were not voted. I have here the engineer's report; shall I read it all to my hon. friends?

Mr. MACDONALD (Richmond): No, not the whole thing.

Mr. DUNNING: It is a lengthy history, covering about three pages. The claim of the contractors was $46,820 and the amount of payment provided for in last year's estimates was $12,629.72. Each item of the claim is reviewed, according to the information I have, and either allowed or disallowed, or reduced, as the case may be. Perhaps my hon. friend would save the time of the committee by coming round to the office, and I should be glad to let him see all the documents connected with it.

Mr. MACDONALD (Richmond): Was this work tendered for, and if so, what was the amount of the lowest tender?

Mr. DUNNING: The amount of the tender was $56,819.

Mr. MACDONALD (Richmond): Was that amount supposed to cover the entire work?

Mr. DUNNING: That depends upon whether the quantities estimated by the engineers turn out as anticipated, which of course seldom happens in under-water work.

Mr. MACDONALD (Richmond): How was it that $12,000 was allowed this company after the government had entered into a contract with them for $56,000?

Mr. DUNNING: In order to answer that question I will have to read a memorandum I have here, which is as follows:

> The discrepancy between the original estimate of cost and the final amount paid is explained as follows: When the survey was made on which the original estimate was based, every effort was made to secure accurate information concerning the rock surface, and from points on the work where solid rock could be definitely located and also from the depth of old cribwork where it could be definitely ascertained, a profile showing the probable rock surface was plotted for the information of intending bidders. After the contract was let, it developed that the probable rock surface, as exhibited, for a length of 250 feet, was a very hard cemented clay intermixed with stones. Consequently the contractors were required to excavate this material to the bottom of the canal for the crib seats, resulting in a large increase in the estimated quantities of excavation, cribwork, stone fiilling in cribwork and earth filling behind cribwork.

The CHAIRMAN: Shall the item carry?

Mr. MACDONALD (Richmond): Do not be in too much of a hurry.

Mr. DUNNING: I should like to remind my hon. friend that the item he is now discussing was voted at the last session of parliament.

Mr. MACDONALD (Richmond): Had I been in the House at the time the item was passed I would have objected to it.

Mr. DUNNING: I am not sure whether my hon. friend was in the House or not.

Mr. MACDONALD (Richmond): I was not in the House at the time.

Mr. DUNNING: But that is not my fault.

Mr. MACDONALD (Richmond): There are times when the estimates are rushed through and when it seems to be in the interests of certain people to have them go through in that way.

Mr. DUNNING: I rise to a point of order. I sat here all the evening doing my work in the manner in which it is my duty to do it, and I think such an insinuation is entirely uncalled for. If my hon. friend cannot take his seat in this House and watch for items in which he is interested I think he has no right to accuse me, or accuse any minister of trying to rush them through in his absence. It is his duty to be in his seat if he expects to look after his business.

Mr. MACDONALD (Richmond): Let me tell the hon. minister that there were nights last winter when the majority of us could not be in our seats. We remained here for a period of six months steadily, and this item slipped through one night when very few of us who were concerned were here.

Mr. DUNNING: Does my hon. friend still insist that this item was slipped through in his absence purposely, or does he withdraw that insinuation? Let us have a square deal.

Mr. MACDONALD (Richmond): I do not say that it was slipped through for that purpose, but there are times when estimates are being put through and we ought to be made acquainted with what is coming up on that particular day. I was not aware until I came to the House that evening that these estimates were under consideration. I had asked another hon. member if he would not hold these estimates up for a time if they should come up, and I did not have an op-

portunity to speak. Had I been in the House when the vote came up I would have objected to it. I cannot understand why this $12,000 is to be paid this contractor. I know the location; it is within a few feet of my own door, and I feel that this extra amount of $12,000 should never have been paid to the contractor.

Item agreed to.

Trent canal—improvements (revote $83,000), $239,000.

Mr. GARDINER: What are these amounts for?

Mr. DUNNING: The details are as follows:

Item		
	A.—Eastern Division	
1.	Construction of lock gates	$16,000
2.	Dredging	25,000
3.	Extension to lock aprons	2,500
4.	Dam, Elliotts Falls-Gull River	4,000
5.	New concrete dam at Hawk river logslide	16,000
6.	Dam at outlet of Big Bear Lake	1,200
7.	Rebuilding and repairs to reservoir dams (revote $9,000)	10,000
8.	Reconstructing wharf at Gore's Landing	4,000
9.	Miscellaneous (Revote)	2,700
	B.—Severn Division	
10.	Staff on construction	52,000
11.	Young's Point section (Revote)	5,000
12.	Dam at Lock No. 23 (Revote)	10,000
13.	Dam at Lock No. 24 (Revote $51,900)	65,000
14.	Cement	12,000
15.	House for Operator, Marine Ry. Swift Rapids	4,500
16.	Removal of rock and other excavated material	4,000
17.	Miscellaneous and unforeseen (Revote $5,000)	6,000
		$239,900

I can give the details of each of the foregoing items if my hon. friend desires further information. I should say that we get a revenue from the power developed on the Trent canal, as on all our other canals, when the head of water is developed as a result of works erected by the Dominion for navigation purposes.

Mr. GARDINER: It will be interesting to know what the income is from power produced on the canal, if you have it handy.

Mr. DUNNING: For one year it amounted to $95,317.22.

Mr. KENNEDY: What is the significance in the headings in the estimates, "chargeable to capital" and "chargeable to income"?

Mr. DUNNING: That has relation to an old government accounting system. I wish my hon. friend would ask that question some time of the Minister of Finance. I know what capital is, I think I know what income is. I am not entirely familiar with the distinction in the Dominion accounting as used in this sense. It has to do with a system of accounting in the Finance department which has no relationship to the business of our department.

Mr. ROSS (Kingston): From whom do you receive the revenue for the power developed on the canal?

Mr. DUNNING: Principally from Hydro Electric of Ontario. There is a little revenue also from rent for water lots, transmission, telephone lines, and so on. There are some private lessees, but the Hydro Electric Commission of Ontario is the largest lessee.

Mr. ROSS (Kingston): What is the agreement with the Hydro?

Mr. DUNNING: They pay our standard rental of $4 per horse-power, or $2 in other cases, depending on the class.

Mr. ROSS (Kingston): Has this department or the Hydro done the work?

Mr. DUNNING: The Hydro, of course, build their own plant for utilizing the head of water which our works create. We build the dam.

Item agreed to.

Welland canal, improvements (revote, $18,000), $95,500.

Mr. GARDINER: Is this for improvements on the present Welland canal?

Mr. DUNNING: Yes. It is just a question of maintaining the present canal to carry the tremendous traffic. We passed 5,500 ships through it last year.

Item agreed to.

Board of Railway Commissioners for Canada, maintenance and operation of, including the salary of A. D. Cartwright, secretary of the board, at $6,000, $263,440.

Mr. CHURCH: This is a vote, Mr. Chairman, which affects every citizen. The railway commission was appointed for the purpose of preventing unfair and unjust discrimination. In my opinion it has failed in its functions. It has a duty to perform to the public. I think the whole board should be reorganized. Instead of removing discrimination it has permitted a vaster discrimination than has been. Applications from time to time have been made for increases of freight and passenger rates, telephone rates and express rates. These applications have been opposed by the municipali-

ties, which have spent hundreds of thousands of dollars on experts and counsel to protect the public. The board should act of its own volition to protect the public. Does it protect the consumer? No. Does it protect the businessman? No. Or the farmer? No. There is universal dissatisfaction with the present board. The quicker the railway commission is abolished the better because it does not regulate anything except its salaries. It would be far better to go back to the old days when parliament, or a committee of parliament, had charge of these matters—or leave it to the law of supply and demand. To-day we have a railway commission that does not regulate anything and fails to carry out the various sections of the Railway Act. The Interstate Commerce Commission, a similar body, has given a great deal of satisfaction in rate regulation in the United States. Our railway commission has very wide powers and can relieve the people, but it has failed all along the line. I should like to know if there is any dissension among the members of the board. I would assume so from reading the various judgments written by them.

In the case of the application of the Bell Telephone Company for increased rates the city I come from spent over $100,000 on experts and counsel. It should not have had to spend this money to get a fair show before the commission, for the commission of its own volition should regulate the company. It will be found that in almost every case applications for increased rates have been granted by the board. It has taken the evidence of one side and failed to give proper consideration to the evidence on the other. The board spent weeks on the telephone inquiry, but after the evidence had been taken it refused the request of the lawyers for the municipalities to present argument orally and directed them to file it in writing. Did you ever hear of a case conducted like that? I am not here to criticize the Bell Company. I sympathize with public service corporations in these days of increased labour and material costs but more with the public.

Mr. DUNNING: Would my hon. friend permit me? I rise to suggest that as apparently he has extended remarks to make, and I know some other members desire to express their views on the railway commission, if it will meet the convenience of the committee I am willing to let this one item, the railway commission vote, stand over for a more convenient time and in order that we may pass the remaining items—

Some hon. MEMBERS: Put it through.

Mr. DUNNING: —if my hon. friend will agree.

Mr. CHURCH: I am not prepared to let the item stand, Mr. Chairman, because when I asked information from the minister some time ago he would not give it to me. He said it was not in the public interest. When I conclude my remarks I think it will be quite in order for the minister to ask me to let the item stand. The portfolio of Railways and Canals might as well be abolished altogether. Part of its work has been handed over to the railway commission. The minister might get busy and go into the offices of the commission. What does the commission do? Nothing but whitewash everybody that makes application for increase of rates. Has the railway commission any control over Sir Henry Thornton? No. The late Mr. Carvell doubted if the board could regulate the Canadian National Railways. The railway commission was appointed to prevent unfair and unjust discrimination. Three former chairmen of the board, Hon. Mr. Blair, Mr. Justice Mabee and Sir Henry Drayton, used the big stick on some of the corporations. They protected the public. But to-day this commission protects nothing; it simply grants holus-bolus the various applications made for increase of rates. I am going to move a reduction of this vote because I think that is the only way to get anything done. I do not think the minister has played fairly with me, and for that reason I should like the item to stand until he has brought down the information I have asked for. I asked for the production of papers early in the session, and the minister replied that it was not in the public interest to divulge this, that and the other thing.

Mr. DUNNING: I do not remember the occasion to which my hon. friend refers, but if he will tell me what papers he has asked for, I will look into the matter.

Mr. CHURCH: I asked for the production of papers with regard to the Bell Telephone Company, and whether the minister had made an agreement with that company by which the National Railways got cheap rates at the expense of the general telephone users of this country; and secondly, whether the government of Canada, after this application had been launched by the Bell Telephone Company, had secured a contract with the company at cheaper rates. The Bell Telephone application was made on the grounds of discrimination, and yet this railway commission, at the instance of the Minister of Railways and his department, with the assistance of

Sir Henry Thornton, have granted rates to the company which will take from the people of this country several million more dollars, in order that the National Railways and the Department of Railways and the government may get cheaper rates.

Mr. DUNNING: My hon. friend is making so many wild statements that it is very difficult for me to follow him. I have some recollection of his asking for papers in connection with the Bell Telephone Company, and it is my impression that I have already tabled a return relating to that matter. Can he tell me whether he moved for a return, or give me the reference number, or any other information upon which I can act?

Mr. CHURCH: I will move to reduce the item. The Minister is not fair. I can prove all I say if I can get the papers. There are three or four other matters on which I have not received any information. We have a railway commission which is supposed to exercise some control over public corporations, but can the minister name one case where the railway commission has gone out into the highways and byways, of its own volition, to check up these large corporations? I say no, and I say that in the public interest there should be some reorganization of this commission. If there is any dissension among the members of the commission, the public are entitled to know it. We should have a commission that will regulate the railways, the telephone companies, the express companies, and all other public service corporations.

Mr. GARDINER: Has the government taken into consideration increasing or decreasing the membership of the board, so that there will be an odd number on the board? I think he will remember that there have been cases recently where there has been an equal division on the board, three and three, and that has prevented them from giving any decision on the matter that was under consideration. Is it the intention of the government to have an odd instead of an even number on the board?

Mr. DUNNING: The situation referred to by my hon. friend is, of course, before the government, and is receiving consideration. Beyond that I cannot go at the moment.

Mr. GARDINER: If the government enlarge the membership of the board, I suppose they will take into consideration that western Canada has only one representative upon it, and remember that we would like to have two instead of one.

Mr. DUNNING: My hon. friend can rest assured that all these matters and many others will have to be taken into account in dealing with a situation such as this.

I should like to take the opportunity on this vote of correcting what appears to be a false impression regarding some remarks I made the other evening with respect to Crowsnest rates. Apparently there was an impression in the minds of some members, which is borne out by some of the press reports—I am not now imputing any sinister motive to anyone—that I had the belief, and expressed it, that the Crowsnest rates on grain were not profitable rates. I did not so intend, and I think the language attributed to me in Hansard will bear out the lack of any such intention. Two extremely opposing views were being expressed, one that the rates lost a very considerable sum of money for the railways, and the other, to use the expression of one of my hon. friends in that corner, I think, that the railways made very, very handsome, or very, very large profits out of carrying grain. I deem it my duty as Minister of Railways to endeavour to keep discussion along the line of fact, where I have opinions sufficiently based upon fact to express them, and to neither of those extreme views do I subscribe. I do not believe that the railways lose money hauling grain, as would be found if it were possible to separate the grain figures from the other figures. On the other hand, neither do I agree with the other extreme view that the railways are making handsome profits on hauling grain at present rates. I know that neither of these extreme views is correct. That is the attitude I take on the matter.

Item agreed to.

Canada Highways Commission—to provide for payment of staff of Canada Highways Commission, including A. W. Campbell, C. E., Chief Commissioner of Highways at $5,000 per annum, $25,000.

Mr. KENNEDY: I understand that the federal grant for highways expires some time in the near future. Has the government made any provision for renewing the grant, or making an additional grant?

Mr. DUNNING: We are endeavouring to conclude the distribution of the grants provided for under the present extension which expires on September 1, 1927. By then we hope to have the whole thing cleaned up.

Mr. KENNEDY: Is the question of renewing under consideration.

Mr. DUNNING: No.

Item agreed to.

Miscellaneous services, including salaries and expenses of experts employed temporarily, $40,000.

Mr. MACDONALD (Kings): Is it the intention of the government to provide for any further expenditure in connection with the standardization of the gauge of the Prince Edward Island railway? A considerable portion of the mileage is not yet standardized, and everyone knows what a serious handicap it is to people living on that line. I desire to ask also in regard to the car ferry. The Duncan commission recommended that something should be done in connection with the claim that the car ferry boat there was not giving satisfactory service. The report of the commission reads:

> Altogether the ferry boat service is unsatisfactory. The railway administration admitted that there was need for supplemental provision being made in the form either of a second ferry boat or a special freight boat. We recommend that the matter be gone into from the point of view of placing at the disposal of the island such satisfactory means of communication as will ensure as regular and complete a service as can reasonably be made.

Another matter I refer to is the fact that this boat is running in the fall to full capacity and cannot maintain this operation very long. There is a danger of disconnecting the province altogether from the mainland. Another item in the Duncan report reads:

> We further recommend that, so far as the ferry boat service is concerned, it should not be run as part of the railway operations, but should be run by the railway administration under separate account for the department. We feel that, by reason of its association with railway accounts, this service does not get the attention it should receive.

If the minister could give us any information about these different items we would appreciate it.

Mr. DUNNING: I cannot answer offhand the question addresed to me by my hon. friend from Kings. I can only say to him what I think he already knows, that all these matters are at present under investigation. I think there is a question on the order paper relating to one of these items. They are all now under investigation, following the Duncan report.

Mr. MACDONALD (Kings): The standardization of the Murray Harbour line should not require any particular investigation; it would simply be a continuation of work carried on in years past. That is now the only branch of the railway that is not standardized. No investigation should be necessary; the work should be continued. It is a matter of great interest to the people of Kings county and southern Queens that assurance be given that that work will be continued this year.

Mr. DUNNING: If my hon. friend presses me for a more definite answer than the statement I made regarding investigations generally, I must say that the railway management hold the view, with respect to standardization on the Prince Edward Island railway, that the next important step is to complete the standardization of the terminal works at Charlottetown. That is more important than the rest of the standarization, in the opinion of the management. Then there is the bridge question as well, as my deputy informs me. The bridge will not carry a very heavy train.

Mr. BRADY: Will the minister tell me if there is any amount in this estimate for an inquiry into the feasibility of the construction of a railway into the Red lake district?

Mr. DUNNING: The matter of investigation of the economic feasibility of a new line of railway is one for the Canadian National Railways to deal with and does not come under this vote. I feel quite sure that the Canadian National Railways are watching very closely the development in the Red lake district.

Item agreed to.

To provide for the payment of salaries and expenses in connection with the St. Lawrence ship canal surveys and investigations, including the Canadian National Advisory Committee, and its employees and G. W. Yates, $1,200 as secretary, $70,000.

Mr. HANSON: Will the minister inform me if the government intends to carry out that part of the Duncan report which relates to the appointment of an ad hoc commission to investigate the claims of the province of New Brunswick with respect to taking over the St. John and Quebec Railway?

Mr. DUNNING: The government regards the whole question of lines in this category which are not part of the Canadian National system as one which requires some form of investigation. We have not in mind the idea of setting up a tribunal in connection with a particular line, but the desirability of working out some sort of arrangement which would involve investigation of the different situations obtaining with respect to rates in the area referred to in the maritime rates act as "select territory," on lines which are not now part of the Canadian National system but which connect therewith. I would not like to promise my

hon. friend to set up a separate forum for this road. We have not really thoroughly settled the matter of how we will proceed with the whole question of railway development.

Mr. HANSON: This investigation will be held covering the larger field?

Mr. DUNNING: While not absolutely determined by the government, I think my hon. friend may take it that it will be proceeded with.

Item agreed to.

Loan to Canadian National Railway Company, $22,500,000.

Mr. DUNNING: These estimates with respect to the railways and merchant marine are back from the committee and have been approved. Perhaps we could put them through now. If anyone wishes to discuss the one with respect to the Canadian National Railways I should be glad to let these items stand, but they have been examined by the special committee and recommended to the House.

Item agreed to.

Progress reported.

On motion of Mr. Dunning the House adjourned at 12 midnight.

Saturday, April 9, 1927.

The House met at eleven o'clock.

INTERCOLONIAL RAILWAY EMPLOYEES —DISMISSALS

On the Orders of the Day:

Mr. J. F. POULIOT (Temiscouata): When may I expect an answer to a return ordered on March 23, respecting employees of the Intercolonial railway?

Hon. CHARLES DUNNING (Minister of Railways and Canals): The matter will be looked into.

Mr. POULIOT: I am interested also in two other questions regarding employees of the House. I should like to know when I may expect returns.

Mr. DUNNING: The matter will be brought to the attention of the Secretary of State.

PRIVILEGE—MR. CHURCH

On the Orders of the Day:

Mr. CHURCH: I wish to direct the attention of the House to a letter published in the Toronto Globe in which the hon. member for Southeast Grey (Miss Macphail) criticizes the policy of the British government in China. As a member of the House I wish to protest against this.

Mr. SPEAKER: There is no question of privilege.

OFFICIAL MOTOR CARS

On the Orders of the Day:

Hon. J. W. EDWARDS (Frontenac-Addington): A month ago I put on the order paper a question regarding the number of cars used by members of the government. I have not yet received an answer to that question. I hope I shall not be left to estimate the number by the length of time it takes to get the answer. This is a question I desire to have answered before the House prorogues.

Hon. CHARLES DUNNING (Minister of Railways and Canals): So far as the Railway department is concerned I was making inquiries only yesterday and I expect to table the return before prorogation.

DEVELOPMENT OF CARILLON POWER

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): Now that the smoke of battle in connection with the Georgian bay question has cleared away, may I again ask the Minister of Railways whether he is prepared to lay before the House the policy of the government with respect to the development of Carillon power?

Hon. CHARLES DUNNING (Minister of Railways and Canals): I am not prepared to make a statement of policy at the present time.

Mr. GARLAND (Bow River): Is the House to understand that there will be a renewal of the lease to the National Hydro on the 1st of May?

Mr. DUNNING: The House cannot understand anything of the kind.

PRIVILEGE—MR. EDWARDS (FRONTENAC)

On the Orders of the Day:

Hon. J. W. EDWARDS (Frontenac-Addington): On a question of privilege I desire to refer to an editorial appearing in this morning's Journal, a paper I seldom pay any attention to. The article in question accuses me of insinuating that the government's federal district legislation proposes to beautify Kingsmere because the Prime Minister owns a summer house there. I am within the judgment of the House whether the Journal has any right to make such a charge against me.

My whole argument from first to last was against the money being expended on the other side of the river, and I mentioned the owning of property over there because it had been referred to. I think I did the Prime Minister a service in bringing the matter up in the way I did. So far as the Ottawa Journal and its representations regarding this or any other matter are concerned, and as respects its allegation about insinuations, I cannot altogether forget the time when the Ottawa Journal, starting in its present quarters, depended upon the Conservative party then in power for much of the money necessary to put up that building. By entering into a contract with the government for so much floor space, the government had made the way clear for the Journal. I can understand the editorials of Grattan O'Leary and what is back of anything he writes.

SLAUGHTER OF SWINE

On the Orders of the Day:

Hon. S. F. TOLMIE (Victoria, B.C.): On leaving town last night the hon. member for Dufferin-Simcoe (Mr. Rowe) requested me to inquire of the government when he might expect an answer to an order passed by the House on March 30 for the production of certain papers relating to the slaughter of swine belonging to a man named Andrew Oberle, of Walkerton, Ontario. We are near the end of the session and I should be glad to know whether we may reasonably expect the production of these papers on Monday next.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The Minister of Agriculture is not in his seat but I shall be glad to bring the matter to his attention. He will be able to give my hon. friend a satisfactory reply.

MR. GEORGE REID

On the Orders of the Day:

Mr. GEORGE BLACK (Yukon): An order of the House was issued on March 9, for return of correspondence and other documents relating to the appointment and the cancellation of appointments of one George Reid of Yukon as a temporary mining recorder. The return has been brought down but I would call the attention of the Minister of the Interior (Mr. Stewart) to the fact that it is altogether incomplete. It is patent, from some of the correspondence on the file, that there is further correspondence still to be brought down particularly with reference to the application of Mr. Reid, forwarded to the Director of the Northwest Territories, Yukon branch, by the Gold Commissioner of Yukon under cover of a letter dated September 25, 1926, in which he advises that Mr. Reid has completed the necessary form, and encloses two copies of the same, as requested. These applications do not appear on the file brought down. I should like to have them along with the rest of the return as soon as possible.

Hon. CHARLES STEWART (Minister of the Interior): I will inquire into the matter. I am not familiar with the file, which I handed in as it was given to me.

PRIVATE BILLS

OPPORTUNITY FOR CONSIDERATION

On the Orders of the Day.

Mr. A. M. CARMICHAEL (Kindersley): I find on the order paper a list of twenty-two private bills, and as we are near the end of the session I ask the Prime Minister if an opportunity will be given to-day, to take care of at least the noncontentious private bills on the order paper.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I may say to my hon. friend that in the matter of private bill legislation I have no control over the House; it is for the members of the House to agree as to what they wish. I should like these bills to be considered in a way that will ensure their passing this session, but we cannot change the rules of the House to meet an individual situation. I have spoken two or three times about what seems to me a very great mistake, that of members holding up legislation by discussing private bills instead of letting them go to committee to be judged there, and possibly the object lesson we are getting from day to day may help to convince hon. members of the unwisdom of a course of that kind.

Hon. H. H. STEVENS (Vancouver Centre): I should like to point out to the Prime Minister that the bill which is holding up other private bills has been to committee and reported by it. Therefore the delay is not caused by bills not going to committee.

Mr. MACKENZIE KING: But that is not true of other bills that were delayed.

PRINCE EDWARD ISLAND—PORT IMPROVEMENTS

On the Orders of the Day.

Hon. J. A. MACDONALD (Kings): Now that the Minister of Public Works is in his seat, may I again ask a question with regard to an order for a return passed on 23rd February, which is over seven weeks ago. The

return asked for was a very simple one and it surely should have been brought down before now.

Hon. J. C. ELLIOTT (Minister of Public Works): I may say that I made inquiries about the matter yesterday. I find the return is complete and it will be tabled today.

POSTMASTERSHIP OF OSHAWA

On the Orders of the Day.

Mr. T. E. KAISER (Ontario): The city of Oshawa has been for three years without a postmaster. Does the government intend to continue that situation, or is it disposed to have an appointment made?

Hon. P. J. VENIOT (Postmaster General): The appointment rests with the Civil Service Commission. The matter has been held up in some way or other; I cannot for the moment give the reason why. It has not been held up since I have been Postmaster General for any reason that I know.

CIVIL SERVICE SALARIES

STATEMENT BY THE MINISTER OF FINANCE

On the Orders of the Day:

Mr. JOHN EVANS (Rosetown): I desire to acquaint the government with the fact that hon. members are getting telegrams from the civil servants all over the country, who are very disappointed at not getting the flat increase of $120. I should like to know if the government are going to make a statement on the matter before parliament prorogues?

Hon. J. A. ROBB (Minister of Finance): It is quite true, as the hon. gentleman has said, that he has been receiving telegrams on this subject; we all have. Now, the government have gone carefully and sympathetically into the question of increasing the salaries of the civil servants. If the civil service of Canada is not satisfied it seems to me it is about time for some person to say a word on behalf of the tax-payers, and to inform the hon. gentleman and others that if the civil servants are not satisfied with the increases as granted, it will be very easy for the government to withdraw the measure. I am told that yesterday in the Senate a measure of interest to the civil service, a measure to extend once more the time for them to come in under the Superannuation Act, was under consideration, and that certain changes were made at the instance of the organized civil service which may delay the measure. This morning I asked the departmental officials to prepare for me an estimate as to what the changes will cost, and I say now to hon. gentlemen that unless I have full details so as to advise the government with respect to the additional cost, I will not proceed with that measure this year.

THREE RIVERS HARBOUR COMMISSIONERS' ACT, AMENDMENT

Hon. PIERRE J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 302, to amend the Three Rivers Harbour Commissioners' Act, 1923.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

On section 1—Harbour limits defined.

Mr. CARDIN: The object of this bill is to change the limits of the harbour at Three Rivers. When the harbour was incorporated, part of the county of Champlain, adjoining the city of Three Rivers, was included in its limits. The bill proposes to take out from the harbour property belonging to the county of Champlain.

Section agreed to.

Bill reported, read the third time and passed.

CHICOUTIMI HARBOUR COMMISSIONERS' ACT, AMENDMENT

Hon. PIERRE J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 303, to amend the Chicoutimi Harbour Commissioners' Act, 1926.

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

On section 1—Harbour limits defined.

Mr. CARDIN: The object of this measure is to amend the Chicoutimi Harbour Commissioners' Act. When the harbour was incorporated, Ha Ha bay was included in its limits. The bill seeks to take this bay out of the jurisdiction of the Chicoutimi harbour commissioners.

Mr. CHURCH: Why is this measure brought in as a public bill instead of as a private bill? Very little information has been given with respect to it. I should like to know what arrangement this harbour commission have with the government and what program it is proposed to carry out.

Mr. CARDIN: I do not know if I correctly understood the idea of the hon. gentleman, but this harbour commission has been incorporated like the others by a bill brought down by the government as a public measure. This is a public harbour, and the only way by which a change can be made in the legis-

lation is by the same procedure, namely, by a bill brought down by the government itself.

Section agreed to.

Bill reported, read the third time and passed.

CANADA SHIPPING ACT AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 304, to amend the Canada Shipping Act.

Mr. A. W. NEILL (Comox-Alberni): I wish to speak against not what the bill contains but what it does not contain. I do not think there is in the whole range of our statutes any act which so decidedly requires changing and remodelling as this one. It goes back to the days when internal combustion engines were unknown. It is obsolete in every sense of the word. It has been due for repeal and reënactment any time during the last twenty years and yet nothing has been done. As far back as 1908 the need was so apparent and urgent that a comprehensive and, I think, in many respects a suitable bill was drafted. Perhaps on account of the war or other causes the matter was postponed; but that is nearly twenty years ago, and we are still waiting for the reënactment of reasonable legislation in regard to these very important matters.

From one end of Canada to the other the shipping interests, seamen, masters, mates and so on are vitally concerned in the changes required in this bill. I think in 1924 or 1925, certainly in 1925, there is recorded on Hansard a definite promise that a bill would be formulated in the recess; that it would be submitted to the shipping interests concerned for their advice and opinion, and that it would be brought forward at the next session. That was in 1925; this is 1927 and what have we here to-day? A trumpery little amendment concerning the prohibition of touts on boats or wharves connected with the ships, while interests of infinite importance require attention.

I do not blame the minister at the head of this department because this concerns matters with which he cannot be very familiar. There is in his department a great deal of deadwood which is much in need of revivifying. The settled policy, in every instance when progress or reform is suggested, appears to be, to do nothing. Last year we heard a great deal about the customs scandal; but there is such a thing as scandal which originates not in wrongdoing, but in inaction, standing still, stagnation. This matter should be attended to at an early date. It is too late now, I presume, to do anything this session, but I take this opportunity of urging on the government that the advancement of British Columbia, which is so largely dependent upon the operation of matters connected with the seacoast, is being held back for lack of attention, not only in this but in several other matters as well.

Mr. T. L. CHURCH (Toronto Northwest): I wish to protest against the principle of this bill. It may be all right as regards ocean navigation, but I see no necessity for this legislation in connection with ships on the inland lakes and rivers. This is simply going to create a monopoly on ships and on shore as well. I doubt very much the right of this parliament to enact legislation of this kind as affecting navigation on the great lakes. At Niagara ports where a million people a year travel backwards and forwards, they have public docks where anybody can go and solicit business. This is going to give a monopoly of the tourist business to the big corporations that control not only the vessels but hotels and every other agency in places where there is a huge United States tourist traffic. I do know that such lake ports as Buffalo, Cleveland and Detroit, have no regulations similar to this. As this legislation is going to create a monopoly I wish to protest against it.

Mr. A. E. ROSS (Kingston City): I have been given to understand that under the Canada Shipping Act there is a possibility that navigation proceeding from Ontario ports will be compelled to pay pilotage dues. This is the only part of the country in proximity to the St. Lawrence river which is compelled to do so. I understand a boat from Newfoundland or any other port can come here through the St. Lawrence without paying pilotage dues and that only boats from Ontario, whether they use pilots or not, have to pay pilotage dues. Before this bill is passed I should like to know from the minister if that is authorized by the Canada Shipping Act. In other words, is a straight discrimination against Ontario contained in the Canada Shipping Act?

Mr. CARDIN: There may be something in the observations of the hon. member for Kingston City, but it can hardly come under this bill. My hon. friend will have an opportunity of discussing the matter when we take up the departmental estimates which will be considered immediately after this. There is an item for pilotage on which the discussion can very well take place. The complaint of the hon. gentleman is not new; a similar complaint has already been made because Ontario boats navigating from the great lakes

down to Montreal have been forced to pay pilotage dues. That is in accordance with the act. We have what we call pilotage dues, and every vessel going down from Montreal to Quebec has to take a pilot on board or at least to pay the amount required by the act for pilots' fees. According to the law, there is compulsory payment of pilotage dues not only in Quebec but in Nova Scotia and New Brunswick. It is a fact that vessels from the great lakes going down to Quebec or below have to pay pilotage dues.

Mr. ROSS (Kingston): Mr. Speaker—

Mr. SPEAKER: The hon. gentleman has already spoken. He can speak in committee on the bill.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Soliciting for hotels, lodging houses, etc., on ships or wharves, without written consent.

Mr. ROSS (Kingston): I wish to protest against the action of the government in bringing down such an unimportant and unnecessary amendment as this when the consideration of other far more important amendments to the Canada Shipping Act has been refused. I think this bill should be sent back to the department, that such unfair discrimination should be discouraged, and that other far more necessary amendments to the act should be brought in. It is quite clear that the act needs repair work of some kind, but this little bit of an amendment, in the absence of other far more important amendments, should not be allowed to go through. I understand that the international section of the St. Lawrence is under a different system, and that if a boat comes down, she can take on a pilot or not just as she sees fit, and she is not charged for the pilot. I consider this legislation before us is very unfair, because it discriminates against navigation on the Ontario lakes.

Mr. STEVENS: So far as the clause we are now studying is concerned, I think it is a desirable piece of legislation. Whether my hon. friend is correct in saying that it should come under provincial legislation, I am not competent to say, but the matter dealt with here is important. However, I agree with what the hon. member for Kingston and the hon. member for Comox-Alberni have said in regard to the necessity for amendments to the Canada Shipping Act. The act is certainly in need of a complete renovation; it ought to be revised throughout, and I would urge upon the government that during the coming recess a very careful study should be made of the act, and a bill be prepared and brought down early next session, because it will be a very, very extensive bill, and will take months of committee work to get it in proper shape, so it ought to be introduced at the earliest possible date in the session, and referred to a special committee. I do not know of many other statutes of equal importance; perhaps the Railway Act would be a parallel case. But as far as this particular measure is concerned, I have no objection to it; in fact, I must say that for some years I have recognized that this legislation is required. It is pretty late in the session to discuss whether this is constitutional or not. The provision here, I think, is a necessary one, and I would urge upon the minister to take into consideration what a number of members have said, and what I have just said, in regard to the necessity for a general revision of the act.

Mr. GUTHRIE: I agree that there is a necessity for the passage of this bill. The practice of touting on these boats has become in the nature of a public nuisance, and it is to remedy that nuisance that this bill is introduced.

In regard to the Canada Shipping Act, which we seek to amend by this bill, I endorse what has been said by other hon. members. The act is certainly due for revision. I have heard it discussed by men who are more familiar with it than I am, and I have heard it condemned because many of its sections are said to be obsolete; many, it is charged, are beyond the jurisdiction of this parliament, others are contradictory, and there are a great many omissions which should be supplied in the act. But the question at once arises, is this the proper time for a revision? The larger question of the Merchant Shipping Act, an imperial act, has been referred to a special committee of experts, under the recommendations of the recent Imperial conference, and I doubt very much whether we could usefully revise the Canada Shipping Act until we have the results of the investigation of that committee of experts before us. Undoubtedly there are many omissions which could be supplied now, but I think the general revision of the whole act should stand until we know just where we are at in regard to our jurisdiction in the matter.

Mr. TOLMIE: I quite agree with what has been said concerning the necessity for a revision of the Canada Shipping Act. An act of that kind should be revised from time to time, in view of the changing conditions

and the rapid development of our commerce, particularly on the Pacific coast, but I think before a complete revision of the act is undertaken we should have before us, as my leader has pointed out, the results of the work of the special committee appointed under the Imperial conference to amend the Merchant Shipping Act.

With regard to this particular amendment, I want to endorse it. We are doing a tremendous tourist trade on the Pacific coast. We have excellent ships belonging to the Princess line, for instance, operated by the Canadian Pacific, and many other very good boats engaged in tourist traffic from the American boundary right up to Alaska, and calling at our Canadian ports. These ships bring tens of thousands of people during the tourist season, and it is a great nuisance to these tourists, travelling as many of them are for a rest, to be canvassed and bothered by solicitors of various kinds. In addition to that, the companies that operate these boats try to keep them nice and tidy and clean, but if solicitors are to be permitted to canvass on them, the boats will be littered up with advertising material of all kinds, and it will be impossible to keep them in decent shape. I think that anyone wishing to solicit either on the boats or on the wharves of the shipping companies should first obtain the permission that is made necessary in this bill.

Mr. CHURCH: I contend, Mr. Speaker, that it is outside the jurisdiction of this parliament to pass this legislation except as to navigation on the gulf and ocean ports. To apply it to Ontario is a ridiculous proposition. In the Niagara district, the Muskoka district and the Brockville district, the services rendered by some of these tourist transportation organizations is of the utmost convenience to the travelling public. Dear knows we are trying hard enough to get more American tourists, and this legislation, if applied to tourist traffic on the Ontario lakes, will greatly inconvenience the travelling public.

I would like to know who has asked for this legislation. We are charged on this side of the House with being the party of the big interests. I would ask what big interests are behind this bill? The Canada Steamship Company came to the police commissioners in the city of Toronto some time ago and asked us to pass just such a regulation as this. We did not need it in Toronto because we have an association of all the hotels and tourist bodies, working together in harmony for the good of the travelling public, and that is a great convenience to the travelling public. I doubt very much whether this parliament has power to pass this legislation, as it is in restraint of trade. What does the Justice department say about this bill? If they were consulted, I believe they would say that this parliament has no power to pass legislation affecting inland waters. The city of Toronto has spent millions of dollars to take over wharves, and the Toronto Terminals Company are running bus services where they cannot get a service from the National Railways, and are they to be prevented from going on the wharves which they have paid for themselves, just because the Canada Steamships Company wants this thing? Is the minister going to drive all the tourist business into the hands of the big corporations? The Canadian National Railways are doing this very same thing on their trains and boats. There is no demand for this legislation, and it would only lead to litigation, and furthermore it will do away with what is now a real convenience to the travelling public. It may be necessary to have some regulation of this kind with regard to ocean traffic, but it is an absurdity to apply it to the tourist trade on the inland lakes, and I say that this amendment should stand over till next session.

Mr. CARDIN: There is no doubt in the mind of the legal officer of the department that we have absolute jurisdiction to pass an amendment of this character. As long as Canada has full jurisdiction in regard to all navigation on inland waters as well as on the ocean, we have the power and the authority to say who shall be prevented from going on any of the ships under the control of the Canada Shipping Act.

I quite agree with hon. members who have spoken in regard to amending the act. The act is due for revision. The matter has been considered for a few years in the department, but we have had such rapid development in the last few years that it has been found that a provision that was adequate two or three years ago will not meet the present situation. New devices have been introduced in navigation.

The hon. leader of the opposition is quite right when he states that it would be useless to proceed to deal with the Canada Shipping Act when there is a commission dealing with the same matter. After the commission makes its report we will be in a better position to deal with the question, and we all agree that it is necessary to amend this very important

act. The proposed amendment now before the committee is of a non-contentious nature; it has been asked for by the transportation companies and it is not intended to embarrass the tourist traffic. On the contrary it will help the tourist traffic, because it will prevent certain people going on the boats and worrying the passengers in regard to hotels and lodging houses. We want the passengers on the boats to be free. If any man is allowed to go on the boat to advertise hotels he should have the consent of the proprietor of the ship on which he wishes to advertise.

Mr. McGIBBON: I think there is a good deal in what the minister says, that passengers should not be annoyed by agents of any kind, but I think there is one feature of the situation which he has not considered. For instance, in my district one navigation concern is privately owned and another is a company, both in the tourist business. Does the minister not see that there is a possibility of the company in the navigation business and the company in the tourist business working hand in hand in dealing with the tourist traffic. They would have the power to send the traffic wherever they pleased, although they might not do it. They would be shutting out competition and working an injury in that way. Would the minister consider that aspect of the case?

Mr. CARDIN: I do not see any serious danger in that, because I have enough confidence in those operating the boats to feel that they will not prevent legitimate advertisement. The only thing these people have to do is to go to the office of the company and ask for a permit. If a reputable citizen goes to a company asking permission to distribute literature on the boat, I cannot imagine that the company would refuse him permission.

Mr. McGIBBON: If the minister will assure me that they would get that right—

Mr. CARDIN: I am sure they would get it

Mr. McGIBBON: It is not in the bill.

Mr. CARDIN: No. If we found any discrimination by any of the companies, after the act had been in operation for a while, I would be ready to introduce a measure to remedy it.

Mr. CHURCH: The minister has forgotten that in the larger Ontario ports the municipalities have police on the wharves and boats. That is the case in the Niagara and Toronto districts. Under the Canada Shipping Act and other legislation the officer commanding the ship, the mate, or other official, is charged with keeping order on the ship. In the city of Toronto the police commissioners, at large cost to the city, have policemen on the ferryboats and other boats, and there have been no complaints in that district, as far as I know.

It may be all very well for the minister to apply this amendment to the ocean ports, but if he applies it to the inland ports he is going to affect the inland trade.

Section agreed to.

Preamble and title agreed to.

Bill reported, read the third time and passed.

PENSION ACT AMENDMENT

On the Order.

Third reading of Bill No. 234, to amend The Pension Act.—The Minister of Soldiers' Civil Re-establishment.

Mr. GUTHRIE: The member for West Calgary (Mr. Bennett) wishes to have this item stand till Monday.

Mr. MACKENZIE KING: Very well.

SUPPLY

DEPARTMENT OF MARINE AND FISHERIES

The House in committee of supply, Mr. Johnston in the chair.

Department of Marine and Fisheries—Ocean and river service—maintenance and repairs to Dominion steamers and icebreakers, $1,500,000.

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): This is to provide for the maintenance and operation of the vessels employed on icebreaking service in the St. Lawrence and the gulf, in construction work as required, and in the supply and maintenance of lighthouses, buoys, beacons and similar aids to navigation. All told we have twenty-seven vessels engaged in the service, nineteen on the Atlantic coast and in the St. Lawrence, four on inland waters and four on the Pacific coast.

Mr. GUTHRIE: I see the same amount is proposed this year as was voted last year. Was the expenditure last year up to a million and a half?

Mr. CARDIN: For 1925-26 the expenditure was $1,940,000; for 1926-27 up to January 1, it was $1,310,000 odd, and if we bring the figure up to March 31 we will reach the million and a half.

Item agreed to.

Examination of masters and mates, $20,000.

Mr. CARDIN: This is to provide for the examination and certification of masters and mates.

Mr. STEVENS: What about my friend Captain Eden, who gave lectures under this heading for a considerable time at night outside of his business hours and received no remuneration at all, although he put in a claim I think for a few hundred dollars. I understand that those who now give these lectures do so within their working hours.

Item agreed to.

Removal of obstructions in navigable waters, $5,000.

Mr. ROSS (Kingston): Has any further consideration been given to the desirability of removing derelicts in harbours? They are the property of some company or individual and there does not seem to be any way by which those who wish to do so can remove them.

Mr. CARDIN: If they are an obstruction to navigation the Department of Marine and Fisheries undertakes to remove them and make a claim against the company or person responsible if there is any possibility of enforcing the claim.

Mr. GUTHRIE: Have you ever succeeded in getting anything under such a claim?

Mr. CARDIN: Yes.

Item agreed to.

Inspection of live stock shipping, $4,500.

Mr. GUTHRIE: Why the increase—another official?

Mr. CARDIN: The increase of $500 is to provide for the salary of an inspector at Halifax, due to the increased shipments through that port.

Mr. GARDINER: Does the inspection of live stock come under the Marine and Fisheries department?

Mr. CARDIN: No, we inspect only the fittings of the ship.

Item agreed to.

To continue subsidies for wrecking plants—Quebec and British Columbia, $45,000.

Mr. ROSS (Kingston): Has any application been made for a subsidy for a wrecking plant between Montreal and lake Ontario?

Mr. CARDIN: Not up to the present.

Mr. ROSS (Kingston): Would it be considered if made?

Mr. CARDIN: It certainly would be considered and decided according to its merits.

Mr. GUTHRIE: Why the $10,000 increase?

Mr. CARDIN: To increase the subsidy given to the Quebec Wrecking plant?

Mr. GUTHRIE: Why?

Mr. CARDIN: We have a contract with the Quebec firm under which we contribute $25,000 to the operation of their equipment. It was represented to the department that they could not meet their obligations, in fact for several years up to 1925-26 their aggregate loss amounted to $142,298. They represented to the department that they could not carry on without an increase of $10,000. Even with the augmented subsidy we do not think they will be able to meet their operating expenses; it will simply help them to reduce the losses.

Mr. TOLMIE: How many ships do they operate?

Mr. CARDIN: They have two powerful vessels with complete wrecking equipment.

Mr. BLACK (Halifax): Is it a private company?

Mr. CARDIN: Yes.

Mr. BLACK (Halifax): Private companies do not usually carry on under such heavy losses. It would indicate that there is no necessity for a company of this kind, that there are no wrecks in the river to keep it busy, and that therefore this money had better be saved.

Mr. CARDIN: The company is connected with the Canadian Pacific Railway, but is also looking after the wrecks of other companies. This is the only wrecking plant on the St. Lawrence river.

Mr. GARDINER: How many wrecks were there last year?

Mr. CARDIN: They gave assistance in about fifteen or twenty cases.

Mr. GARDINER: Do they secure any salvage money from the owners of the vessels they assist?

Mr. CARDIN: Yes, and this is taken into account. At the end of the year if they have made any profit out of the salvage money plus the subsidy they divide the profit with the department.

Mr. GARDINER: Do they keep proper accounts?

Mr. CARDIN: Yes, they have to render accounts to the department.

Mr. McGIBBON: How much do they charge per ton for wrecking services?

Mr. CARDIN: It depends on the nature of the work. They cannot have a uniform rate for all cases. I am informed by the deputy that there is something in the contract in regard to it, but unfortunately I have not the document under my hand.

Mr. QUINN: Is any subsidy paid to wrecking plants in the maritime provinces?

Mr. CARDIN: No.

An hon. MEMBER: There are no wrecks there.

Mr. QUINN: Some hon. gentleman says there are no wrecks in the maritimes. He is mistaken. During the season there are wrecks, and the wrecking companies carry on their salvage work. When not so engaged they use their plant for other purposes. They seem to be able to carry on without any subsidy, and I do not see why this company cannot do the same.

Mr. CARDIN: If my memory serves me right, in years past certain wrecking companies were subsidized in the maritime provinces, but the business was not found profitable. The difficulty in granting a subsidy to any wrecking company in the maritime provinces is that there are so many wrecking plants there that we would be flooded with requests for subsidies. Apparently there is enough work in the maritimes for several wrecking plants to operate at a profit.

Mr. QUINN: Is this Quebec company engaged in wrecking work solely?

Mr. CARDIN: Yes.

Mr. DICKIE: In view of the immense losses made by this company and the statement of the minister that it expects to make further losses in the future, why does the company continue in business?

Mr. CARDIN: The purpose of our contribution is to have the company render efficient service.

Mr. DICKIE: But the minister says the company expects to make losses in the years to come.

Mr. CARDIN: This company is to a certain extent connected with the Canadian Pacific Railway, and looks after their ships, and we are giving this subsidy because it goes to the assistance of the ships of other companies.

Mr. BLACK (Halifax): This appears to be a subsidiary company of the Canadian Pacific Railway, which the railway company find it necessary to maintain to protect their own shipping interests. Consequently the wrecking company should be part and parcel of the Canadian Pacific Railway's operating expenses. Under these circumstances I do not know how the minister can justify the subsidy. If the company goes to the assistance of other vessels it no doubt gets well paid for its services. I would suggest to the minister the advisability of cutting out the subsidy altogether, if not this year, certainly next year.

Mr. ROSS (Kingston): Did I understand the minister to say that no boats needed the assistance of this wrecking company last year?

Mr. CARDIN: No, I said fifteen or twenty boats received assistance.

Mr. ROSS (Kingston): Who were the owners of the boats?

Mr. CARDIN: The Cunard line steamers Aurania and Ausonia; the Canadian Pacific Steamships steamer Montrose; the British steamer Manchester Guardian; the Canadian steamer Montrolite; the British steamer Bayrupert; the Norwegian steamer Storfjeld; the steamship Lord Strathcona; the Canadian steamer North Shore; the Canadian steamer New York News; the British steamer, Manchester Corporation; the Greek steamer Atlas; the British steamer Hochelaga; the French steamer Leopold L.D.; the British steamer Tritonia; the Canadian steamer, Emperor of Montreal. Assistance was given to these steamers.

Mr. ROSS (Kingston): Was no compensation received from the owners of those steamers?

Mr. CARDIN: Certainly; an account is given of the receipts that the wrecking company obtains from these shipping companies.

Mr. ROSS (Kingston): It would be interesting to know the amount.

Mr. CARDIN: Particulars are given in the accounts that the company files with the department at the end of each year to establish if there has been a profit or a loss. We are controlling all that.

Mr. TOLMIE: I do not agree, Mr. Chairman, with the suggestion that these subsidies should be discontinued. Certainly out on the Pacific coast where we have accidents occurring to ships at all times it is a great asset to have the equipment of one of these salvage companies always ready with steam up to proceed to the rescue of any ship in distress. Very often it means the saving of many lives and much valuable property. This service has been rendered on several occasions on the Pacific coast to the satisfaction of everybody, particularly of those people who were rescued from disaster. There seems to be a litle cloudiness about the desirability of paying a subsidy when there are no wrecks; but when business is poor is the very time that these wrecking companies need assistance.

Item agreed to.

Life saving service, including rewards for saving life, $80,000.

Mr. SHORT: Is the minister going to reopen the life saving station at Bay View, Digby county, Nova Scotia? It has been closed since July, 1925. This station was built in 1913, and was operated constantly until 1922, when it was closed and the boat shipped over to New Brunswick, where it was retained for nearly a year. Then the station was reopened, but after the staff had been appointed the Civil Service Commission claimed they should make the appointments. They advertised for applicants and appointed a new staff. Next year the station was closed again and the boat again sent over to New Brunswick, where it was kept for some time. Eventually it was decided that the appointments did not come under the Civil Service Act, and the staff was appointed by the Marine department. For some reason that I do not know the station has been closed ever since. This station serves very important fishing communities on the bay of Fundy. There are 250 fishing boats, perhaps more, that operate up and down the bay very nearly the year round, and the station was able to afford great protection to them. Since 1925, however, that station has given very little service indeed—in fact it has been used as a political football. I think it is time that these institutions were taken out of politics altogether and devoted to the purposes for which they were built. I impress upon the minister the necessity of opening this station and keeping it open during the fishing season and, if possible, throughout the year. There is no reason at all, why these life-saving stations should be used for political purposes.

Item agreed to.

Radiotelegraph service and to provide for the construction and maintenance of radiotelegraph ship to shore stations and the general administration of the provisions of the Radio Act and regulations throughout the Dominion, $499,865.

Mr. ERNST: Will the minister explain the exact nature of this service?

Mr. CARDIN: The proposed appropriation is to provide for the maintenance and repair throughout the year of government radiotelegraph stations and beacon stations throughout Canada, and for the general administration of the radiotelegraph service, including the licensing and inspection of ship stations, private and commercial land stations, radiotelephone broadcasting and receiving stations, and the examination of commercial operators for radio certificates. In a word, it covers the whole range of our operations in radiotelegraphy. As the hon. gentleman knows the radiotelegraph system is of great value in connection with navigation. It is being developed every day, and constant requests are being made to the department by those interested in the matter to augment the service and provide better facilities. The increase in the vote will help to enable us to meet this demand for the improvement of this service and to make it as efficient as possible. The service is not only giving splendid assistance to the shipping interests but is promoting to some extent Canadian trade as well.

Mr. ERNST: I had hoped that the increase in the vote would be devoted to measures for providing adequate protection for the fishermen who carry on their operations off the Atlantic coast. Earlier in the session I drew the attention of the minister to the fact that last year two schooners fishing out of the port of Lunenburg were wrecked on Sable island and forty-nine lives lost, owing to a storm of which they had had no warning, and which, when it broke, found them without sufficient sea room to escape. I suggested to the minister at that time that such accidents could be avoided in future if some action were taken such as broadcasting the weather reports by radiotelephone—say at nine o'clock every evening, or even twice a day—so that fishermen could pick the messages up at sea and take whatever precautions were necessary for their safety. I regret that apparently the appropriation does not contain any provision for this. I had a communication from the minister stating that apparently the service was not desired. I have taken steps to inquire into that, and I find that there is a certain amount of apathy—not opposition but apathy—amongst

some of the owners who objected to the additional expense. On the other hand those who are engaged in going down to the sea, that is to say fishermen and others, are looking for some such measure of protection; and I believe it is incumbent upon the government to provide adequate measures in this direction. Under the provisions of the Merchant Shipping Act shipowners are required to equip their vessels with life-boats, and I fail to see why means should not be adopted in this case for the protection of our fishermen so as to prevent a repetition of the disaster to which I alluded.

Mr. CARDIN: We do broadcast storm warnings that are of great value to the fishermen, but I think my hon. friend has in mind that the government should provide receiving sets for those men.

Mr. ERNST: I would suggest that the storm warnings should be broadcast in plain English not in code so that the fishermen could get the messages on receiving sets.

Mr. CARDIN: That is what we are doing this year.

Mr. ERNST: At what station?

Mr. CARDIN: Louisburg.

Mr. ERNST: I am deeply gratified to know that is being done.

Mr. McGIBBON: Could the minister state what advance has been made in this particular field in the last four or five years?

Mr. CARDIN: The field indicated by my hon. friend is so very extensive that I would hesitate to enter upon it at this time. The subject is a technical one, and I have no hesitation in saying that I am not very familiar with the technical developments. The service we provide has been most useful in connection with navigation and has proven an excellent medium of communication between ships at sea, to say nothing of the transmission of telegrams, and similar conveniences.

Mr. McGIBBON: The possibilities of this work as brought out by scientific investigation during and after the war are simply enormous. Much was learned, for example, about guiding ships into harbours through mine fields and things of that nature. What I was anxious to know was whether the government was alive to the possibilities of the application of this science in various ways, in the matter of saving life and in other directions, or whether it was standing still contented with simply broadcasting weather reports. The possibilities in connection with the efficient navigation of ships and the saving of life by a proper utilization of recent discoveries are very marked indeed. I remember some years ago sitting on a committee of this House, which had to do with scientific and industrial research, and the members of that committee were very much interested in the research work carried on by Professor McLennan, of Toronto university. The name of that distinguished gentleman, it will be remembered, was connected with various discoveries during the war which were of great practical value, and served to demonstrate the possibilities which underlie what I might call radio science. I was wondering if the government was alive to recent discoveries, or if it was carrying out work of the routine character.

Mr. CARDIN: The information given to me by the officers of the department is that in this particular line Canada leads the world. We are taking advantage of the developments that have been made, and I think we can well afford to compare the advances we have made with those of any other country. We are doing all we can to utilize any new devices brought forward, and to keep the service as efficient as possible.

Mr. McGIBBON: What about submarine telephones?

Mr. CARDIN: I fancy that matter comes under the control of the Department of National Defence.

Mr. McGIBBON: I did not anticipate that the minister would have before him to-day the information for which I asked; it would not be quite fair to expect that. But the subject is of immense interest, and there are possibilities of great importance to this country in connection with it. I would therefore ask especially that next year the minister be prepared to lay before the House a comprehensive statement of what the department has accomplished along the line I have indicated.

Mr. CARDIN: Certainly:

Mr. MACDONALD (Kings): I presume the minister is aware that with regard to the service under this heading Prince Edward Island is not recognized in any respect. I understand there is no service station of any kind, and of late years, as we are situated, we have to depend on navigation wholly. In recent years the potato business has grown so enormously that we must depend on steamers

very late in the season to get our produce shipped. Representations have been made by one of the principal insurance companies that when ships are being chartered to navigate the strait of Northumberland in the late fall, a handicap is experienced on account of there being no radio aids to navigation along this route. I have been requested to bring the matter to the attention of the minister and to urge that navigation on the coast of Prince Edward Island and through the strait of Northumberland be given some attention under this item.

Mr. CARDIN: I have no objection to looking into the representations of my hon. friend.

Mr. ROSS (Kingston): Is the station at Barriefield in charge of the minister's department?

Mr. CARDIN: Yes.

Mr. ROSS (Kingston): Has the department under consideration the building of radio stations on the Hudson strait.

Mr. CARDIN: The program in regard to the Hudson strait survey has not been absolutely completed and at the present time we do not know exactly what we shall be obliged to do. The observations which we expect to make during next summer will supply us with the necessary information. The matter has not been decided yet.

Mr. ROSS (Kingston): Will the stations be under the charge of the minister's department?

Mr. CARDIN: Yes.

Item agreed to.

Radio service—to provide for the general improvement of reception conditions to licensed broadcast listeners, $169,475.

Mr. BROWN: What machinery is provided by law for the collection of these license fees?

Mr. CARDIN: We have in all post offices in Canada licenses which are at the disposal of those who desire to buy them. The price is one dollar. Apart from the post offices any man of a certain standing may obtain from the department a certain number of licenses which he may sell, and he is entitled to retain 10 per cent of the cost of the license. If a man is in possession of a receiving set without having the necessary license he can be taken before the court and his receiving set can be confiscated.

Mr. BROWN: The post offices in all cases?

Mr. CARDIN: The larger post offices and several other people in the most important centres. In fact any person who is known in any locality may make a request to be permitted to sell licenses and the request will be granted.

Mr. GUTHRIE: Would the minister say a word on the general item? I do not quite understand it. Does it raise the question which we have seen so much of recently in the newspapers as to our rights and those of the United States in connection with broadcasting?

Mr. CARDIN: We have throughout the country a certain number of inspectors and staff whose business it is to aid in the maintenance of proper conditions for receiving sets. There is a dispute between Canada and the United States in regard to the allotment of wave lengths. I understand there are at present about ninety-five different wave lengths of some importance, fifty of them capable of being used for high powered stations and forty-five for rather lower powered stations. Canada has been using exclusively six of these wave lengths on high powered stations and at the same time has been sharing with the United States eleven other wave lengths. During the last few weeks we have been trying to reach an understanding with the United States since they have organized a commission to control broadcasting as we are controlling it in Canada. Prior to not more than two months ago broadcasting in the United States was free; their government had no control at all, and there was what is called pirating of wave lengths.

Since the United States have decided to appoint a commission to control broadcasting as we are controlling it in Canada under the Department of Marine and Fisheries, we have endeavoured to reach an understanding with them and we have claimed twelve wave lengths instead of six out of the ninety-five. We have claimed that we should share fourteen of the less important wave lengths but so far the negotiations have had no satisfactory result. The United States want to discuss the question from a population point of view. They say that according to population we would not be entitled to more than the six wave lengths which we are using exclusively at the present time. The department refuses to accept that as a basis of consideration. We say that the matter should be considered from the point of view not of population but of territory. We say that with only six exclusive wave lengths for Canada we cannot take proper care of the business of the country or give satisfaction to our people.

Mr. McGIBBON: Have they not stolen a number of Canadian wave lengths?

Mr. CARDIN: No. Pirating to a certain extent has been carried on but we have had the exclusive use of six wave lengths and a share in eleven others.

Mr. McLEAN (Melfort): What is the approximate revenue under this item?

Mr. CARDIN: The total revenue from the service is $292,000.

Mr. ROSS (Kingston): In regard to the station at Barriefield, which is doing good service in connection with lake navigation, has the department received complaints about interference with the general radio service, and if so, has the department taken any steps towards correcting it?

Mr. CARDIN: We are receiving complaints from practically all over Canada in regard to interference. It is very difficult to cure it. There is a certain amount of interference which we cannot prevent. We are taking all the necessary steps to stop that interference. We have men engaged, with the necessary machines for that purpose, and we are changing portions of our equipment in certain places, at Father Point, for instance, and at Kingston, where we have been receiving complaints in regard to the stations.

Mr. ROSS (Kingston): Who is the official in charge?

Mr. CARDIN: The official in charge at Ottawa is Commander Edwards. In addition, we have a certain number of inspectors distributed all over Canada.

Mr. DICKIE: What control does the department have over these broadcasting stations? I have received a communication from Victoria signed by a number of radio listeners in, complaining about the broadcasting station in the city of Victoria. That station, I believe, broadcasts each evening, and while it is broadcasting the people in Victoria can get no radio stations in other parts of the continent. They ask that the station be moved ten miles outside the city. I had an interview this morning with Mr. Edwards, a very courteous gentleman, but he was unable to give me any promise of relief. I would like to know if there is not some way in which the department could remedy a grievance of this kind, because there are very many people in Victoria protesting against the station broadcasting each evening.

[Mr. Cardin.]

Mr. CARDIN: The control we have over these stations is in the issue of the license. They cannot operate without a license from the department. We can, of course, refuse to renew a license if they are not operating the station satisfactorily. Then there is, of course, always a certain amount of interference which the experts have not yet found means of overcoming.

Mr. DICKIE: The minister can quite understand that when the license was first granted, this grievance did not exist, but with the increase in the number of radio stations, what was not a grievance a few years ago is one now, and I am quite convinced that this is a matter of very much importance to the people of Victoria and its environs who are interested in radio.

Mr. TOLMIE: I have received similar communications from Victoria, and I intended to mention them, when my hon. friend from Nanaimo spoke. I would ask whether it has been found that the radio apparatus on the ships off the coast interferes with radio receiving in a place like Victoria.

Mr. CARDIN: I am informed that it does interfere to a certain extent, and we are doing what we can to prevent that.

Mr. TOLMIE: In the event of a broadcasting station not complying with your regulations, what course do you adopt?

Mr. CARDIN: We can cancel the license.

Mr. TOLMIE: That is the only remedy?

Mr. CARDIN: Yes.

Mr. BRADY: I would like to draw to the minister's attention the urgent need existing at Stewart, on the Portland canal, in regard to radio service. That is a very important mining district, and I would urge upon the minister the advisability of establishing a radio station at Stewart. At present the people of that great mining district have to depend entirely on American stations, particularly the one at Hyder. The minister also knows that very often throughout the year the telegraph communication breaks down, which leaves the people of that district entirely dependent on the American service at Hyder. I am sure that if the minister considered the advantages that would accrue to the mining interests as well as general business, by improved communication facilities, he would establish a radio station at this place, where existing conditions warrant its establishment. I think the time is now ripe for action in this matter, and that a radio station should be established at Stewart.

Item agreed to.

River St. Lawrence ship channel—maintenance and operating dredging fleet, $1,522,000.

Mr. GARDINER: I presume this is for dredging between Quebec and Montreal?

Mr. CARDIN: And below Quebec. This appropriation is for the continuance of operations in connection with deepening and widening the St. Lawrence ship channel between Montreal and Father Point. As I stated last year—we are working on a program of deepening the St. Lawrence ship channel to a depth of 35 feet between Montreal and Father Point. The amount removed last year was 1,523,130 yards. We shall have to dredge for a distance of about 38 miles yet to complete the 35 foot channel between Montreal and Father Point. Of course, in some places we were not obliged to dredge, where there was already sufficient water.

Mr. GARDINER: Have there been any soundings taken to ascertain approximately how many yards will still have to be taken out?

Mr. CARDIN: It is estimated that about 25,000,000 yards will have to be removed in this 38 miles necessary to complete the channel.

Mr. GARDINER: What does it cost per yard?

Mr. CARDIN: I have not the figure here, but I think it is about fifty cents. We are spending about $1,500,000 every year on this work, and my information is that it will take eight or nine years to complete it.

Mr. McMILLAN: What width is that channel?

Mr. CARDIN: At certain places it is 1,000 feet in width, and the narrowest part is not less than 500 feet.

Mr. ROSS (Kingston): Do I understand the minister to say that the narrowest part of the channel will not be less than 500 feet and that the widest part is 1,000 feet..

Mr. CARDIN: Yes.

Mr. ROSS (Kingston): What is the length of the longest boat coming up the St. Lawrence to Montreal? I am asking this in relation to some statements that have been made in regard to the upper St. Lawrence.

Mr. CARDIN: I think it would be in the neighbourhood of five hundred feet.

Mr. ROSS (Kingston): And they have no difficulty in a channel not less than five hundred feet in width.

Mr. CARDIN: Of course they are not as free as they are on the sea. But with the aids to navigation which we have been providing and a good pilot on the boat, they are not experiencing difficulties. We have had no accidents in the channel.

Mr. ROSS (Kingston): The minister will remember the circumstances prompting these questions. Statements were made at a meeting in regard to the channel in the other end of the St. Lawrence. The minister says the length would be about five hundred feet.

Mr. CARDIN: I would not like to be bound to that figure, five hundred feet, but I think the average might be that.

Mr. HANSON: The tendency is to build larger boats.

Mr. CARDIN: Yes.

Mr. HANSON: What is the effect on the level of the waters at Montreal of the deepening of the channel at lake St. Peter? As you dredge out the channel below Montreal, does it or does it not have the effect of lowering the water level at Montreal? That is a problem which the department has to consider, and I would like to know the experience of the department, because it is an important point.

Mr. CARDIN: Our engineer says it does not change the level in Montreal.

Mr. HANSON: I quite agree that where there is no tide there is no rise and fall. That is only affected by the tide. Is there a rise at Montreal?

Mr. CARDIN: No.

Mr. HANSON: Where do you have a rise?

Mr. CARDIN: Three Rivers.

Mr. HANSON: Is the level at Three Rivers not the controlling factor at Montreal?

Mr. CARDIN: It may be to a certain extent, but it is rather a technical point.

Mr. HANSON: It is an important point.

Mr. CARDIN: Yes, but I have no doubt the engineers of the department have taken account of it.

Mr. HANSON: What is the shallowest point between the city of Quebec and the city of Montreal, and what is the depth at that point?

Mr. CARDIN: It is thirty feet.

Mr. HANSON: At what point?

Mr. CARDIN: Several places, but more particularly in the vicinity of Batiscan, if I am not mistaken.

Mr. HANSON: About nine miles above Quebec.

Mr. CARDIN: Yes.

Mr. HANSON: If the channel is deepened at that point, will it not have the effect of lowering the level at Montreal?

Mr. CARDIN: I have to rely on the information of the engineers, and they say no.

Mr. HANSON: I am glad to hear it, and I hope it is true.

Mr. STIRLING: Is there much difficulty in maintaining that channel, once it is dredged?

Mr. CARDIN: Not at all.

Mr. ROSS (Kingston): At what time does the department take the level of the harbours, or do they take them repeatedly?

Mr. CARDIN: During the whole year we have automatic gauges in all the ports, we are taking levels almost every day, and the record is kept in the department.

Item agreed to.

To provide for the maintenance and operation of Sorel shipyard, $154,000.

Mr. HANSON: This is a well-known milch cow for the city of Sorel. How many employees has the minister there?

Mr. CARDIN: I think at the present time in the vicinity of five hundred.

Mr. HANSON: Are they increasing?

Mr. CARDIN: No, I regret to say they are not.

Item agreed to.

Sorel shipyard—to provide for the reconditioning of Wharf No. 4 and for new foundations for buildings Nos. 3 and 4, $45,780.

Mr. GARDINER: What improvements are contemplated by this vote? I call attention to an item in the Public Works department for Sorel public works, something like $17,000 Why should there be a separate item?

Mr. CARDIN: This vote provides for the establishment of the government shipyard which is being kept for the repairing of the dredges and boats of the government. It is quite independent of the operation of the port.

Item agreed to.

[Mr. Hanson.]

Salaries and allowances to lightkeepers, $700,000.

Mr. HANSON: Almost every year, as long as I have been a member of this House, we have had delegation after delegation of lighthouse keepers coming here asking for certain expenditures. Some of these have appeared to be very reasonable and some have appeared to be unreasonable. I wonder if the minister would make a statement as to whether they had looked into the question, say, of superannuation. I would like the committee to visualize one case. In the bay of Fundy there is a light called Gannet Rock. I have been there and any man who goes out and lives at Gannet Rock, even for the fairly comfortable salary that is paid to a man in that position, who spends his whole life there doing very useful public service, isolated almost beyond description,—because there are weeks and weeks at a time when they have no communication with the mainland at all, nine miles from Grand Manan island—deserves some consideration. It has appeared to me that these officials are very faithful public servants and some provision might be made for their superannuation.

Mr. CARDIN: I think provision is made for the superannuation of a certain class at least of these lightkeepers. If a lightkeeper elects to come under the Superannuation Act he can take advantage of it.

Mr. ROSS (Kingston): What salary is paid to the lightkeeper at Knapp's Point?

Mr. CARDIN: I have not a list of the eleven hundred lighthouses.

Mr. ROSS (Kingston): What would be the average?

Mr. CARDIN: The salary starts at $3,240 at Cape Race for example, and goes down as low as $60.

Mr. ROSS (Kingston): These men complain that it is almost impossible for them to live, because they get no such salary as the first amount mentioned by the minister. A very small salary is paid for taking care of a lighthouse such as this one, I have mentioned, from say April to the close of navigation. From what the lightkeeper told me I thought he had great reason for complaint. No man could live under such circumstances. In winter he is out of employment altogether.

Mr. CARDIN: There are some lighthouse keepers who receive substantial salaries in the more important places. One man gets

$3,240 but there are others who receive only $60, $120 and $150 per annum. Those in receipt of these very small sums do not give their whole time.

Mr. HANSON: As regards the men who receive the larger sums, is it not fair to them to say that they are obliged to pay out of these salaries one, two and sometimes even three assistants annually? It is not fair to say that any lighthouse keeper gets $3,000 for himself.

Mr. CARDIN: As a matter of fact there is only one man who receives $3,240 and he has to pay three assistants. Others hire two assistants and some only one, while a few do the work themselves.

Mr. GARDINER: It seems to me that the proper thing would be for the department itself to hire the necessary assistants and pay them their remuneration direct. When it comes to superannuation the lighthouse keepers complain that they are rated on a lower scale than they should be and consequently they suffer great hardship. It would be well to have this situation remedied.

Mr. CARDIN: The question is worth considering. It must be remembered, however, that the lighthouse keeper ought to be in absolute control, and he would not be if his assistants were engaged and paid by the government. They might say, "We are independent of you; you have no control over us. You are only a superintendent." That would be unsatisfactory; the work could not be as efficiently done as if the lighthouse keeper were in charge.

Mr. HANSON: The minister is right. At times when political patronage is rampant, as it is in Canada now and then—

Mr. CARDIN: Is my hon. friend referring to last summer?

Mr. HANSON: I am not objecting at all. To be frank, I do not think that one party is worse than the other. But there might be a situation in which the lighthouse keeper would find himself faced with an incipient rebellion, with his assistants defying him. They might say, "We got our job from the government and we don't care for you." That would not be in the interest of efficiency.

Mr. GARDINER: That argument might apply to any other department.

Mr. HANSON: It does.

Mr. GARDINER: Consequently it cannot refer to this alone.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. GARDINER: When the committee rose we were discusisng the salaries of lighthouse keepers. I would suggest that the minister consider during the recess the advisability of fixing a scale of wages for the assistants of lighthouse keepers and paying the lighthouse keepers themselves a straight salary, allowing them to retain the right to complete control over their help. By that means there would be removed any doubt as to the basis on which the superannuation allowance of lighthouse keepers should be decided. I do not press the matter at the present time inasmuch as the situation is rather complicated, but I would ask the minister to consider this suggestion in the meantime, as to the possibility of separating the salaries paid the lighthouse keepers from any remuneration paid assistants. This is necessary for the purposes of fixing the superannuation.

Item agreed to.

Salaries and allowances to lightkeepers—to reinstate William R. Wallace as lightkeeper, Grade 2, Class 3, at Hope island, Ontario, with continuous permanent status in the said position, retroactively as of the 24th February, 1925, and he is hereby reinstated accordingly, and to provide for his salary for the current fiscal year, $1,920.

Mr. KAISER: Where is this island?

Mr. CARDIN: In Ontario. William R. Wallace was a permanent lightkeeper of grade 2, class 3, at Hope island, Ontario, and in 1918 was dismissed by order in council on the twenty-fourth February for reasons which at the time the department considered adequate. Later disclosures suggest the justice of reinstating him and in the meantime he has occupied a temporary position to the entire satisfaction of the department. He was dismissed on the ground of neglect of duty in leaving the station before the close of navigation, but further information supplied to the department shows that he could give a satisfactory explanation. The department feels that it is only reasonable to reinstate him.

Mr. GARDINER: Who is responsible for the charges?

Mr. CARDIN: No request was made for his dismissal but the light was out and it was discovered that he had left the station before his time. The explanation fully justified this.

Mr. KAISER: Where is the island?

Mr. CARDIN: In Georgian bay.

Item agreed to.

Maintenance and repairs to lighthouses, $800,000.

Mr. DICKIE: Has the minister been apprised of the necessity for a new lighthouse at Active pass, which is one of the busiest navigation points in British Columbia? The lighthouse is about forty years old and is altogether unsanitary. The accommodations for the lighthouse keeper and his family are not at all what they should be. Everyone in the district agrees that the light is entirely inadequate and an up-to-date house should be put up.

Mr. CARDIN: I shall be pleased to look into the matter and if the facts are as represented we shall do our best to meet the request.

Mr. TOLMIE: There is a tremendous traffic between Vancouver and Victoria and Seattle and between Seattle and Alaska. It is one of the most important points.

Mr. DICKIE: I know that timbers in that lighthouse are so rotten that the structure is unsafe. I have examined it carefully during the past year, and the engineer's report will bear me out.

Item agreed to.

Construction of lights and aid to navigation, including regulation of traffic at such places as may be found necessary, $650,000.

Mr. ERNST: Does "aids to navigation" include the placing of buoys? What method is adopted by the department in placing buoys—is the work done by tender or is it given to some particular person?

Mr. CARDIN: Most of the buoys are placed by the employees of the department, but in certain cases we call for tenders and the work is done by contract.

Mr. ERNST: Is it the invariable custom to ask for tenders when the department themselves do not place the buoys?

Mr. CARDIN: In the case of all contracts over $200 we ask for tenders.

Mr. ERNST: I have in mind a contract which is under $200, to be precise $150, where I believe the work could be done more advantageously by tender than is being done to-day. I do not know whether it is an isolated case. I am asking the question because the work is being allotted to the same man every year for the same price, and it could be done just as well by men equally competent who would do it for half the money the department is paying.

Mr. GOTT: Has the minister at hand the cost of the construction of the Pelee passage lighthouse, a new lighthouse which was built a year ago? I do not know whether it is called Pelee light, Pelee passage, or Pelee island light. I should like to know what the cost of construction was.

Mr. CARDIN: Is that a new lighthouse or an old one?

Mr. GOTT: A new one, which was completed about a year ago.

Mr. CARDIN: I understand it is on the southeast shore.

Mr. GOTT: What was the cost of it?

Mr. CARDIN: Unfortunateiy I have not the figures under my hand, but I shall be pleased to supply the information.

Mr. GOTT: Have you the name of the lighthouse keeper?

Mr. CARDIN: No lighthouse keeper has been appointed yet.

Item agreed to.

Maintenance and repairs to wharves, $10,000.

Mr. EDWARDS (Frontenac): Does this cover the whole of these repairs?

Mr. CARDIN: This is to provide for small repairs which become necessary during the year on the wharves which are under the administration of the Department of Marine and Fisheries.

Mr. EDWARDS (Frontenac): Was anything expended last year on the building of a wharf at Simcoe island?

Mr. CARDIN: These wharves are constructed by the Department of Public Works, and when they are completed they come under the Department of Marine and Fisheries for administration. The present vote is to provide for certain small repairs.

Mr. GOTT: How is it that the wharf itself and the entrance thereto are handled by separate departments? Furthermore, does the minister not think that once a wharf is constructed the approaches thereto should be in keeping with the character of the wharf itself?

Mr. CARDIN: Yes, but any repairs to an amount over $50 are made by the Department of Public Works.

Mr. GOTT: I have in mind the port of Kingsville. They have a very good wharf there but the entrance has practically gone to pieces, and it is up to some department to make repairs. Recently I made representations to the Minister of Public Works to coöperate with the board of trade and the town council in making repairs to the entrance of the dock and keeping that entrance in a state of repair.

Mr. CARDIN: The proper department to make the representations to in that case would be the Public Works department.

Mr. ERNST: I wish to ask one other question. Did I understand the minister to say that once a wharf is constructed it is handed over to the control of the Department of Marine and Fisheries by the Department of Public Works?

Mr. CARDIN: That is the rule.

Mr. ERNST: Is that rule always followed?

Mr. CARDIN: As far as I know it is.

Mr. ERNST: What procedure is followed in case of the appointment of wharfingers? As a matter of fact do you appoint a wharfinger for every wharf, or just in particular cases?

Mr. CARDIN: When it is necessary to have a wharfinger he is appointed by the Department of Marine and Fisheries.

Mr. ERNST: Would the minister tell me why a wharfinger was appointed for the wharf at La Have in the county of Lunenburg? I ask the question because that particular wharf was constructed for a ferry landing and it was placed in charge of a wharfinger. That is the only instance that I know of in the county of Lunenburg, and the one instance where it should not have been done.

Mr. STEVENS: Fire him.

Mr. HANSON: Ask the member for Antigonish-Guysborough.

Mr. DUFF: Do you want an explanation?

Mr. ERNST: I was asking the minister.

Some hon. MEMBERS: Carried.

Mr. DUFF: Carried.

Item agreed to.

Amount required to pay pensions to pilots—Joseph Lapointe, Barthelemi Lachance, Alphonse Asselin, Alzear Desrosiers, Edmond LaRochelle, L. E. Morin, Joseph Plante, Victor Vezina, Raymond Baquet, Alfred LaRochelle, Theophile Corriveau, Alphonse Pouliot, Treffle Delisle, Alfred Gaudreau, Adjutor Baillargeon, F. X. Demaules, Joseph Pouliot, Arthur Baillergeon, John I. Irvine, Camille Bernier, Joseph Eugene Lachance, Elzear Normand, Phileas Lachance, Narcisse Lavoie, L. H. Lapierre, J. T. St. Laurent, J. V. Gourdeau, Samuel Rioux Joseph LaRochelle, Arthur Koenig, J. Alphonse Lachance, Raoul Lachance, J. O. Lachance, J. H. Talbot, Jules Asselin, J. B. Bernier, Frederick Bouffard, $11,100.

Mr. WOODSWORTH: Could we have some explanation as to how this amount is divided among the various services? What amount is granted to each individual?

Mr. CARDIN: Three hundred dollars.

Mr. WOODSWORTH: A year?

Mr. CARDIN: Yes.

Mr. WOODSWORTH: After how many years service?

Mr. CARDIN: After reaching the age of seventy years.

Mr. WOODSWORTH: Irrespective of the number of years of service?

Mr. CARDIN: Yes, irrespective of their service. As a matter of fact all of them have been in the service for a long time.

Mr. WOODSWORTH: It seems to me that this amount of $300 a year is very inadequate for men who have been long years in the service, especially such an arduous service as that of lighthouse keeping.

An hon. MEMBER: This relates to pilots.

Mr. WOODSWORTH: In any case the same criticism applies. We are proposing to grant old age pensions to the amount of $240, and permit an income of $125 additional, making a total of $365 a year, or a dollar a day. It seems to me that when a man has so many years of service to his credit the Dominion government ought to be prepared to give some more adequate amount than $300 a year.

Item agreed to.

Fisheries—salaries and disbursements of fishery officers and guardians, fisheries patrol and fisheries protection service, $860,000.

Mr. HANSON: This is a large item and I see there is a substantial increase amounting to $60,000 this year. We should have some explanation from the minister. That, however, is not the purpose for which I am addressing the committee. For a number of

years an effort has been made to improve the fisheries patrol service on the St. John river. Heretofore the guardians have been appointed by local patronage committees. In New Brunswick in the county of York-Sunbury we have a fish and game association which is much interested in developing the salmon fishing off what is known as Hartt's island on the St. John river a few miles above Fredericton. This spring when the question of appointing seasonal guardians was brought up, the fish and game association asked for the appointment of two men who were specially qualified for the work. I do not know what report Mr. Harrison, the inspector or whatever his position is, made in regard to the matter, but I understand that request has been turned down. What was desired was that two special men who were particularly good men should be appointed to protect this pool. The fish and game association did not ask for the appointment of guardians over the whole river, of whom there are half a dozen or more; but they desired that two men named by them should be appointed by the department for this specific purpose. It is rather a pity that their request was not given more consideration, because this is the only part of the St. John river that is open to the public for salmon fishing. All the other salmon reaches are leased. I am referring now to the Tobique river. That Hartt island pool a stretch of two or three miles of very good fishing, is open to the public. The pool itself, in the absence of proper protection, is poached upon illegally every week in the season. It is felt --and I am not putting this forward in any partisan spirit—that with the men who in the past have been appointed guardians on that river, the pool has not received the protection which it ought to have received.

I am trying to put this forward in a very moderate way. I wish the minister would have his department communicate with the fish and game association and see if they cannot get, if not two special men, at least one special man put on as guardian of that Hartt island pool. They ask for the appointment of Roland Wheeler. During the interim last year when my hon. friend was out of office the fish and game association asked for the appointment of this man; we had him appointed, and he gave great satisfaction to everybody but the poachers. They have got their work in again this year and this man will not be appointed unless the minister looks into the matter. He was not an appointee of mine at all although I asked for his appointment. He is the nominee of the fish and game association which I need not assure the minister is a non-political body. In fact I think the president of the association is a supporter of the present government. I am asking in the most perfect good faith that the minister will see that at least that man is appointed as one of the guardians of the Hartt island pool which is, after all, the vital part of the whole river. I request that the minister take the matter into consideration before the season opens. I do not think the guardians have been put on yet. In fact the ice is not out yet, and as nothing will be done till June there will be ample time to deal with the matter before then. On behalf of the York-Sunbury Fish and Game Association I would request that Mr. Wheeler and Mr. Mills, the two names designated by the association, be appointed at that particular pool. I do not care about the other guardians at all; the department can appoint any others they want. This is a modest request and I ask the minister to receive it in the way it is put forward and to give it his best consideration. If he leaves the matter to his political friends they will tell him "no," because I understand they have already made the nominations. That is natural, but I am going to ask the minister this once in a limited degree to disregard political qualifications, because the matter is one of great importance.

Last year for the first time tourists began to come in and I know one man who spent $1,000 in the community. That is easy money, new-found wealth in the country. If we can get fifty or a hundred men coming in at different times to fish—and the waters are big enough to accommodate many rods—the result is a substantial revenue to the community. But unless there is adequate guardianship there, the fish will be gone. The danger of the situation lies in the inadequacy of the guardianship in the past and that is what we are trying to cure. I am going to ask the minister to be good enough to give the matter his personal consideration.

Mr. CARDIN: I certainly will.

Mr. TOLMIE: The fishing industry is becoming a very important one, particularly on the Pacific coast where last year we were able to get an output of about 46 per cent of all the fisheries in the Dominion of Canada. It is pleasing to note that a deputy is being appointed for the purpose of giving his sole attention to this important industry. Is it the intention of the government to create in the near future a separate portfolio of fisheries? The industry is growing rapidly and it is capable of vast development in the future. I sincerely hope the government will give this matter serious consideration.

Mr. CARDIN: Personally I would have no great objection to seeing another man dealing with the fisheries of Canada. So far the government has thought it would serve to meet the recommendation of the Duncan report which asked for a separate fisheries branch and the appointment thereto of a deputy minister. I do not know what the government might be inclined to do later on. The matter has already been considered but I cannot anticipate what the decision will be. It is seldom that a government is in a position to meet all the recommendations of such an important commission. We are endeavouring to meet all the recommendations and, according to conditions in the maritimes, this is among the most important. I am disposed to do all I can, even to go away from that branch of the service, if that would improve the service and give satisfaction to the parties interested.

Mr. TOLMIE: I had no thought of even suggesting to get rid of the very capable and affable minister who occupies the position of Minister of Marine and Fisheries at the present time. My object was to call attention particularly to the growing industry of fisheries and to suggest that the question of creating a portfolio of fisheries in the near future might be given consideration. If the chairman and members of the Duncan commission, after looking over the Atlantic side of Canada, thought it was necessary to suggest the appointment of a separate deputy, perhaps if they had had occasion to look into the conditions at the Pacific coast they would have recommended a separate minister also.

Mr. MacLAREN: The department has been doing certain work on the bay of Fundy in connection with the removal of obstructions in small streams. At the present time in some of the small rivers running into the bay of Fundy there are obstructions which prevent the salmon proceeding up the river. These small rivers are not and would not be useful for fly fishing nor for the netting of the salmon, but they would be of great value for spawning purposes. The department has been doing certain work in connection with the removal of these obstructions. It is the opinion of many people living in the district whose desire is for the preservation of the salmon and not for the purpose of sport, that the small streams should be preserved so far as possible for spawning. The preservation of the salmon has been rather remarkable. The salmon is holding its own in the bay of Fundy better, I think, than any other fish. At the same time, it is important that we do our best to help, and here is a means of assisting the continuance of our salmon fishing. While one of the large rivers, the St. John, is the principal source of spawning and of the supply of salmon, it is highly important to have many sources, and therefore I would ask the minister to tell the committee just what is being done in the matter of removing these obstructions in some of the small rivers on the bay of Fundy.

Mr. CARDIN: The question of my good friend relates more particularly to the next item, which has to do with building fishways and clearing rivers, but I have no objection to answering it under this item. I have a memorandum here as to the work that is being done in New Brunswick, as follows:

Magaguadavic river, Charlotte county—preparation of plans for a fishway over falls at south of river.

Pocologan river, Charlotte county—blasting and construction of concrete wing dams to provide a fishway over falls.

New river, Charlotte county—blasting of falls to improve passage for salmon.

Black river, St. John county—blasting of falls to improve passage for salmon.

White Marsh creek, Carleton county—examination of stream and measurements of discharge.

Mr. HANSON: Has the fishway on the Magaguadavic river been built?

Mr. CARDIN: It is going to be built this year.

Mr. MacLAREN: Is it proposed to continue that work this year?

Mr. CARDIN: Yes, certainly.

Mr. HANSON: I understand that tenders were called for last year for building the fishway on the Magaguadavic river, but for some reason the contract was not awarded. May I ask what the reason was?

Mr. CARDIN: There was a vote, but the money was not available last year as everything had to be done under governor general's warrants.

Mr. HANSON: Can the minister assure us that the work will be done this year, and I presume by tender?

Mr. CARDIN: Yes.

Mr. HANSON: Is the department convinced of the feasibility of a fishway there?

Mr. CARDIN: Yes.

Mr. SHORT: I am glad to see that there is an increase of $60,000 provided for the salaries and disbursements of fishery officers and guardians. I think that in previous years

the amount provided has been too low. I am also pleased to note an increase of $186,000 under the general head of fisheries this year. I think the amount spent in the past has been inadequate, and I trust that when this money is being disbursed, the province of Nova Scotia will get her share, as there are places down there where guardians should be patrolling the rivers and streams as soon as the season opens. I trust that the department will see that a fair share of this appropriation is expended in the province of Nova Scotia.

Mr. HANSON: Is it the intention of the department to increase the number of fish guardians in the province of New Brunswick, and if so, where will the increases take place, or is this $60,000 just to provide for salary increases?

Mr. CARDIN: The department is considering the appointment of new guardians where, according to our information, that is warranted.

Mr. HANSON: I think that is all right. Last year I tried to get an extra man appointed on a particular water, and I was informed that there was no money available. When the unforeseen arises there ought to be some little leeway in the department so that a man could be put on when required. That has not been the case in the past, and I commend the department for having shown a little foresight in this matter.

Mr. CARDIN: We are providing for that this year.

Mr. McGIBBON: Looking into this matter some years ago I found that the value of the fishing industry in Canada was about $40,000,000, but that about $10,000,000 fish oils went absolutely to waste in the offal and waste products. Has the department taken any steps to preserve to the country the vast amount that is wasted in that direction every year, amounting to nearly 25 per cent of the value of the fisheries?

Mr. CARDIN: I am informed that there are on both coasts at the present time about twenty reduction plants engaged in this very work.

Mr. McGIBBON: Private plants?

Mr. CARDIN: Yes.

Mr. McGIBBON: Do they get any assistance from the government?

Mr. CARDIN: No. Evidently they are finding it profitable.

[Mr. Short.]

Mr. McGIBBON: What has been the result?

Mr. CARDIN: I am informed that the products this year will be worth upwards of $2,000,000.

Mr. McGIBBON: I would suggest that the department might stir up a little on that question.

Mr. MacLAREN: The minister has a considerable number of highly trained men in his department who are engaged in scientific work and who move about the country to a greater or less extent. Now the amount of poaching, and disastrous poaching, that goes on is enormous, especially in the small streams and the spawning grounds. Sometimes it is done by professional poachers; other times by those who have lacked sufficient loyalty to sportsmanlike instincts, but the attitude of the farmers, indeed of the whole people, is not sufficiently antagonistic to this poaching. It is with great difficulty that poaching can be prevented simply by overseers or guardians, and I think by stirring up the conscience of the people living in the country a good deal more can be done, because they know that poaching is going on, and if there is an unfriendly attitude towards those who so offend, much good can be gained. Therefore I am suggesting to the minister that when these officials are going through the country in the execution of their duties, here and there they should have small meetings where the opportunity offers of gathering some of the natives about them, emphasizing the disastrous effects of illegal fishing, and pointing out that every man who lives in the neighbourhood can serve his own interests and those of the country by discountenancing this poaching as illegal.

Mr. QUINN: I wish to ask a question which I think might come up under this item. The Minister of Marine and Fisheries is very good-natured, and I wish to pay my tribute to him right here and now. I do not think there is a minister on the government side of the House—there could not be on this side, of course, who carries his estimates through in such an admirable manner as the Minister of Marine and Fisheries.

Mr. CARDIN: I thank the hon. member.

Mr. QUINN: I am not looking for anything, but I wish to bring to the attention of the minister certain facts. An appointment made of inspector of fisheries in the St. Marys district in Guysborough county, Nova Scotia —George Wesley Fanning, a gentleman with

whom I am not personally acquainted, but I have been given to understand that he has every qualification for the position. Presumably for political reasons his appointment was cancelled, and another appointment was made of a gentleman who lives ten miles from the seacoast, and who has never participated in the fishing industry. I have been given to understand that he knows absolutely nothing about it, but because of his political affiliations and representations made by certain gentlemen who conducted the campaign in the interests of the Liberal party in Antigonish-Guysborough, in the last election, he has been given this appointment. I wish to say seriously, not speaking from any political standpoint at all, that the fisheries of the maritime provinces and Quebec and British Columbia are of too vital importance to have officials appointed because they belong to one or the other side of politics. An appointment of this nature should be considered seriously. We have had a long discussion in this House over the Duncan report and maritime rights. I consider this as a real maritime right, because the fisheries enter seriously into the life of the people of the provinces of Nova Scotia, New Brunswick and Prince Edward Island. Will the minister reconsider this appointment, and if this gentleman, Mr. Fanning, who was originally appointed to the position, is the man best qualified for that position, have him reinstated as inspector for that district. It is not too much to ask. The government is pretty safe to-day and one appointment in Guysborough county would not affect them very seriously.

Mr. CARDIN: The appointment of such as officer has not yet been made. The matter is still pending before the Civil Service Commission.

Mr. QUINN: That is why I brought the matter to the attention of the minister.

Mr. CARDIN: Referring to the suggestion of my hon. friend from St. John-Albert in regard to calling together the fishermen in order to induce them to help in the protection of the fisheries, we have started that sort of campaign already. I am trying to induce the fishermen to form an association among themselves and to help protect the fisheries of the maritime provinces as well as those of other parts of Canada.

Mr. MacLAREN: I had in mind not only the fishermen but also the farmers living on the banks of the streams. I think it is more important to interest and get the support of the farmers in the district concerned.

Mr. HANSON: I would like to follow up the remarks of the hon. member for St. John with reference to the district southwards on the Miramichi river. The director of fisheries will know that within the last three or four years the situation there has been in bad shape. Part of the fisheries run through my constituency and that portion of the river is pretty well taken care of, but when you get down to the settlement where the farmers are the riparian owners, they have an idea that the fishery rights are the gift of Providence and that they have the right to come there and take the fish. I do not object to their taking an occasional salmon, but when they commence to commercialize the fisheries as they have done in Ludlow, Litchfield and Blackpool, Nova Scotia; when they fence off the river with a steel net, make a pond and capture the fish going upstream, a very serious situation is created. A difficulty again arises as to the question of guarding. A few years ago I think the department proceeded in accordance with public opinion in this matter and placed a portion of the river under the supervision of Inspector Harrison. I am disposed to think that there is a big improvement, but the matter to which the member for St. John referred as the great difficulty is that the riparian proprietor, if I may so term him, feels that he has perhaps the property rights in the fisheries, and the result is that many of the fish are not allowed to reach the spawning ground. I hope the department will give special attention to that river this year. The possibilities from the standpoint of the tourist and the possibilities for bringing in new money through the opportunities for fly fishing on the Miramichi are almost unlimited, but I am sorry to say that that stream is going back, due to the conditions that have been referred to and that are well known in the department. I am sure Mr. Found will bear me out when I say that every effort ought to be made to improve the conditions there. The men appointed no doubt do their duty as well as they can in that district, but you will not get a local fish guardian who will be very anxious to chase his neighbour, so that some other system, and of a drastic character, has to be adopted. One year, I think at my suggestion, Mr. Harrison, the inspector, adopted the system of sending men from Carleton county down through that district, with the result that they cleared up more than twenty huge impediments to the passage of the fish. I hope the department is alive to the situation and that

there will be an improvement of the conditions in the river, because it is the best open salmon river in New Brunswick. None of the pools on the Miramichi is privately owned.

Mr. VENIOT: You mean the main river?

Mr. HANSON: Yes, I mean the southwest river where the good pools are. There is splendid salmon fly-fishing there, and with proper guardianship you will have a large influx of foreign tourists, and at the same time you will provide splendid sport for the people of the province who are so fond of salmon fishing.

Mr. NEILL: Will the minister disclose the policy of the department with regard to reviving the seaplane protection service on the Pacific coast? Members from British Columbia will recall that it was in force two years ago and did excellent service. Those who wish to break the law find it very profitable to go within the prohibited limits, and one guardian with a boat capable of a speed of only five or six miles an hour cannot possibly look after a coast line of fifty or sixty miles. The fishing poachers by long experience come to know a boat by the sound of its engine exhaust, and they can tell when the fishery guardian is coming an hour or an hour and a half ahead of his arrival, and this gives them plenty of time to get outside of the protected area. If the patrolman goes north they know for one or two days they are free to poach along the southern shore. Under the seaplane system the poachers would hear the whirr of the plane and within a few minutes it would come over some mountain and land in the sea a few yards ahead of them. As a consequence poaching was very largely stopped. After this system had been in operation for a year a dispute arose between the Naval department and the Marine department on the question of cost, and last year the service was in abeyance, but I remember an assurance being given to this House, in answer to an inquiry by the member for New Westminster, that the service would be reinstated in June—that was last June—under the Marine department. This was not done. We are all in hopes, especially in view of the remarks made in connection with the Imperial conference that Canada is going to take a greater interest in commercial aviation, that this greater interest will be most appropriately displayed in this branch of the service where it is so urgently needed. I believe the seaplane system would be not only more effective but more economical, for unless you put on a whole fleet of boats it is absolutely impossible to protect the mouths of these various rivers from fish poachers. It may be said that this has been done in the past, but conditions have changed in the last few years. To-day there is an enormous market for cheap, inferior fish that were practically unsaleable in former times. It is these fish that I am talking of. They are taken at the mouth of every river and creek, and there is an urgent necessity for their protection because the number of purse seines has increased as much as 400 per cent in certain districts. Therefore it becomes increasingly necessary to preserve the fish or else by and by there will be none to preserve. Some say, do away with purse seines altogether; but this is not always practicable because these fish cannot be taken in gill nets in all waters. My hon. friend from Skeena (Mr. Brady) I know will support me, as did his predecessor who was a Liberal. In his district the only remedy for poaching is for the department to again put the seaplane service in operation. I should like to know from the minister the policy of the department in this regard.

Mr. CARDIN: The representations of the hon. gentleman are already known in the department and the matter is at the present time under consideration. I hope a decision will be reached in the course of a few days.

Mr. DICKIE: What would be the estimated initial cost of operating two or three seaplanes for one season?

Mr. CARDIN: From thirty to forty thousand dollars.

Mr. DICKIE: I seldom disagree with the hon. member for Comox-Alberni (Mr. Neill) on fishery matters, but I think you would have very much more effective guardianship if you took half that amount of money and placed guardians at the mouths of nearly all these creeks up along the northern coast. I can claim to be fairly familiar with the conditions there. There are days together when thick fogs and heavy storms prevail. At night time most of the poaching is done, and I do not think that such an expensive service would be justified from Alaska to the northern end of Vancouver island. With respect to the Comox-Alberni coast I am not so familiar of course as is the hon. member, but I think more effective supervision can be exercised by putting good men up there and paying them reasonable wages and supplying them with good boats. The present boats are simply a joke, and the present wages are a tragedy. What can you expect of men in

that northern country if you pay them only $80 or $90 a month for but a part of the year? The remuneration is not sufficient to get dependable men. If you put fifty or sixty men up there and paid them at the rate of $100 a month I think you would get much more effective supervision than by seaplanes. That is my idea and I have made many trips up and down the coast. I would ask the member for Skeena if he does not consider my proposal the most practicable.

Mr. BRADY: Mr. Chairman, this is a subject of vital importance to the Skeena constituency. I am pleased indeed to see there is to be an increase in the salaries paid overseers. I place great reliance on men of integrity, tact and ability, in other words, men able to resist temptation, than on any other factor in securing effective supervision of our fishing grounds. You will do far more for the protection of your fisheries if you have at the head of the patrol system men who are immune from the many temptations that beset them in their very difficult work. I can vouch for what the hon. member (Mr. Dickie) said regarding salaries paid overseers. There was in the Naas district an overseer of considerable value to the government, a man who was faithful in every possible way. He has left that position. He was married and had two children, and he paid $40 a month in rent. I want to impress upon the minister the fact that out of a salary of $85 a month this man had to pay $4.75 towards superannuation, and that meant a good deal to him. I know that an improvement is being effected in regard to better salaries, but the importance of the patrol system on the Skeena cannot be exaggerated. For those who regard the matter lightly I would point out that this great area comprises five distinct divisions starting at Rivers inlet and going on to Smith's inlet, north to Addenbrook island to Bella Coola, Burke and Dease channels. The central division extends from Namu to Lowe inlet, and in the Skeena division there are Prince Rupert, Skeena river, Chatham sound, Naas river, Port Simpson to the boundary line.

The present patrol system in district number two is hopelessly inadequate. As an illustration of that I might refer the committee to the boats now in use. There is the Cloya, 54 feet long. She is three years old and her rate of travel is seven miles per hour. The Heron is eleven years old, is 45 horse-power, is 58 feet long and travels at eight miles per hour. The Hawk which is twenty years old is 32 feet long and has 14 horse-power. I computed roughly the obligations in connection with these boats to enable them to cover the area properly. It would be absolutely necessary for each of them to cover 200 miles per day, and inasmuch as they have to stop vessels for examination, which takes time, it necessarily follows that they must be properly equipped in the matter of speed. I would urge the minister to place in that district up to date patrol boats capable of a speed of fifteen miles per hour. They should have accommodation for four persons with extra accommodation for the officials.

I shall say just one word now in regard to aeroplanes. Though at first it was considered that the aeroplane might have met all the exigencies which it was called upon to meet, I do not think it does so to the extent suggested by the hon. member for Comox-Alberni (Mr. Neill). Aeroplanes cannot operate successfully in cloudy, foggy weather, and most of the poaching is done on obscure days when the visibility is poor. A good deal of it takes place also at night. The aeroplane cannot meet these requirements completely, and though the government may consider the advisability of using them, I, still stress the importance of an efficient boat patrol. You want men as well as boats; the boats are essential but you cannot dispense with well trained men. So important is this fishing business to Canada that I am pleased to know that the government and particularly the minister is going the right way about it by providing up-to-date boats and, better still, men whose appointment will not be due to political pull. These men have charge of what may be considered a sacred treasure and if we did nothing else than provide for this great industry men of integrity we should be doing a good deal for the Dominion. Overseers should be given good wages so as to be removed from the sphere of temptation. I urge the minister to see to it that an up-to-date patrol system is put into operation in district No. 2 and wherever our fisheries demand them. Most important of all is it to pay the men good salaries. Just imagine a man engaged on these rough waters from morning till night from one end of the week to the other receiving a salary which any girl working in the post office on stated hours is paid—$85 a month. That is what the overseers in my constituency receive. I am pleased to learn that the minister and the Marine department are alive to the importance of good overseers, and I would ask him to have guardians placed at the mouth of the more important creeks in district No. 2 and along the whole coast.

Item agreed to.

Building fishways and clearing rivers, $20,000.

Mr. QUINN: The remarks I made in connection with the previous item have a bearing on this. There is a fish hatchery at Bedford in Halifax county, Nova Scotia, and in 1926 the assistant was removed for some cause or other and John A. Turner was appointed to the position. Turner was not in the position very long when he was removed to make way for his predecessor, who was reinstated. That gentleman has now been removed to the fishery station at St. John, New Brunswick, and the position in Bedford is vacant. I claim on behalf of John A. Turner that, having held the position in 1926, he should now be reinstated, not because of any special qualification but for the reason that he was the only applicant for the position. He has a good overseas record and, to quote from a letter I have received on his behalf:

He is the only returned soldier who has an application in and therefore the only eligible candidate under civil service regulations.

Will the minister seriously consider the matter and have John A. Turner reinstated?

Mr. CARDIN: I am informed that there is no vacancy. The man has been transferred temporarily and if a vacancy should arise later the appointment will have to be made by the Civil Service Commission.

Mr. QUINN: He is transferred temporarily to New Brunswick?

Mr. CARDIN: Yes.

Mr. QUINN: That means that the fish hatchery at Bedford is undermanned. Cannot a man be appointed temporarily at Bedford for a couple of seasons?

Item agreed to.

To assist in the conservation and development of deep-sea fisheries and the demand for fish, $30,000.

Mr. NEILL: In what way is this money being spent?

Mr. CARDIN: This appropriation is to enable such work as searching for scallop beds to be conducted. As a result of such investigations new beds have been located not only in Nova Scotia, but in New Brunswick It is thought that there are still several unused areas about the coast that produce scallops in commercial quantities. The demand for scallops is much greater than the supply. If arrangements can be effected with the provincial governments to enable proper control of the beds to be exercised by the federal government, it is the intention to take up in as active a way as feasible the encouragement of oyster culture throughout the maritime provinces. Assistance to the Canadian Fisheries Association in a campaign to increase the demand for fish is also under consideration. In 1925 we assisted in such a campaign on the basis of 50 per cent of the cost up to $10,000. The results of this campaign were so satisfactory that the association is anxious to continue it. There is no question that the consumption of fish in Canada is rapidly increasing.

Mr. NEILL: Could not some of this money be spent on the Pacific coast in the development of oyster culture or crab or lobster culture?

Mr. SHORT: This has to do with scallops. My hon. friend is speaking of oysters, and oysters do not grow on the Pacific coast.

Mr. NEILL: Don't they?

Mr. SHORT: Not the kind we are familiar with on the Atlantic coast.

Mr. NEILL: Have you ever tried them?

Mr. SHORT: They are an entirely different species. The minister mentioned that this money was to be spent in the development of the scallop industry. I think that is a move in the right direction. The scallop fishery of Nova Scotia is rapidly developing, and it is getting to be an important branch of our shell fisheries. The demand for scallops is increasing all the time, and I hope the department will continue their investigations along the coast of Nova Scotia. I believe there are many places along that coast where excellent beds of scallops would be found but they are as yet undeveloped. This branch of work needs encouragement and any moneys spent upon it will, I am convinced, bring good results.

Item agreed to.

To provide for the maintenance of a fisheries intelligence bureau, $1,000.

Mr. QUINN: I observe there has been a decrease of $1,000 in this vote as compared with last year. What is the reason of that?

Mr. CARDIN: The full amount of this appropriation has not been needed; hence the reduction. Under this service the following work was carried on:

1. The collection of monthly statistics of the sea fisheries which are summarized and given to the press each month.
2. The publication of a quarterly bulletin containing these statistics in detail. The bulletin distributed to the trade and all directly concerned. The statistics are almost all collected by regular fishery officers in connection with their other work and at very little additional cost.

3. The collecting of information concerning supplies of bait, day by day, along certain stretches of the coast during the spring and summer months. The information is gathered by the officers of the department, who send it by telegram daily to certain ports where it is posted up for the information of masters of fishing vessels and those looking for bait.

I may add that last year the expenditure amounted to only $500.

Mr. QUINN: I must congratulate the minister upon the economy he has displayed in the conduct of his department. That economy has not been evident in any of the other departments of government because I have observed that in the case of every other department thousands and tens of thousands—may I say hundreds of thousands?—are being wasted; money is being spent without sufficient justification for the expenditure. But when it comes to the Department of Marine and Fisheries, so vitally important to my province and the maritime provinces generally, I notice that they are very anxious to keep down the expenditure. I must congratulate the minister upon that but I wish the heads of other departments would take a leaf out of his book and practise greater economy until we have succeeded in reducing our public debt. Until that time comes let them go very carefully in the matter of increasing the amount of their estimates.

Item agreed to.

Fish culture, $410,000.

Mr. ROSS (Kingston): Would the minister explain the reason for the increase of $120,000?

Mr. CARDIN: This proposed appropriation is to provide for the maintenance, repair and operation of hatcheries for the propagation of the more important anadromous and fresh water food fishes, and the construction, equipment and maintenance of the following hatcheries, which latter accounts for the increase.

New Hatcheries to be established

Lesser Slave lake.—whitefish hatchery.
Waterton lakes—trout hatchery.
Northern Saskatchewan—pickerel, perch and bass.
Antigonish, Nova Scotia—Atlantic salmon and speckled trout.

Mr. ROSS (Kingston): Has there not been a removal of some hatcheries from the control of the department?

Mr. CARDIN: The hatcheries of the province of Ontario were transferred to the provincial authorities.

Mr. ROSS (Kingston): I think the really important subject with which this department has to deal is the development of fish culture. Some three years ago I made some remarks on the subject and I should like to follow up those remarks, especially in view of the fact that in the Montreal Daily Star of April 11, 1925, there is an item headed as follows:

A half century of waste.

The article begins as follows:

After carrying on fish hatcheries for half a century the federal Department of Marine and Fisheries is now starting an investigation and series of experiments to find out whether after all it is worth while.

This is very much in line with the criticism which I will make and which, I hope, will be constructive and not destructive with relation to the work of the department. For years we have known in different parts of this country that fry and fingerlings have been put into the waters of rivers and lakes from which we have never seen one of these fish caught. It is quite true that in some parts the work has been successful, but I know of many places where there has been a lack of success and there is surely some reason for that. This subject was taken up by a section of the research council known as the biological board. These men made investigations, the result of which proved what many people had surmised, namely, that in many cases the fish culture had been successful as regards the development of fingerlings and fry; in other words that the hatchery had been successful in the development of these small fish, but that care had not been taken in the selection of waters and that consequently thousands of dollars under this vote had been absolutely wasted. This work was placed under the biological board which, I think in 1923, was put under the Department of Marine and Fisheries.

In order to show the necessity for this work I should state that during 1920 a report had been made in regard to lobster canning along the coast of the maritime provinces. A certain defect had arisen there in regard to lobster canning and the industry was suffering very much from it. A report was made that this was largely due to insanitary conditions. It was fairly well accepted that this might be the cause of a great deal of the trouble in this regard. However we find that in the following year there was still evidence of very unsatisfactory conditions prevailing. In fact in spite of the report of the biological board or the scientific men who were taking up this

work, we found that the question of sanitation was being absolutely neglected. The 1922 report states:

I regret very much to have to report that over 75 per cent of the lobster canners still continue to violate one or more of the fundamental laws of sanitary science.

The final clause reads:

The conditions in and around factories as recorded in my report for 1920 are almost exactly the conditions recorded in 1921.

The object of the board was to standardize this work to produce a standard system of sanitation around these canning factories. The result was that whenever an attempt was made to put this into force, the large factories would refuse to do so because the smaller ones were not doing it. Some of the smaller ones went out of business because they were forced to put some more money into their factories.

After the biological board was incorporated in the Department of Marine and Fisheries, the matter was followed up. Two stations were formed and three principles were to mark the work of those two stations. The method was to apply scientific principles to fish culture. At the head of the board there was Doctor Knight who had a great deal of experience in biological work. That gentleman is no longer on the board; he has resigned, and now I come to what I consider is the important thing. His resignation was made with the intention of securing better results in the department. I hope the minister will take the criticism which I am going to make as being of a constructive nature and that the treatment which Doctor Knight received will not be received by the gentleman who has replaced him.

The cause of Doctor Knight's resignation was distinctly want of coöperation between officials of the department and the biological board. That want of coöperation is exemplified in the class that will be held at Truro. To go back, let me say that the object of the research council is to develop a class of scientific research men in all departments in this country. The biological board set itself to the task of developing the present officials into some kind of scientific investigators, but it found that it could not go ahead owing to lack of data, and that the data could be gathered only by scientific operators or officials. The board decided to open up these classes and to bring the officials to them so that they could give them some instruction in this scientific work. It is quite true that many of these officials met in this class, but they exercised a passive resistance to the work. It may be quite true that the work at first may be a little heavy, a little beyond their grasp, but in time, just as the prospector in our mining fields has become an expert in his work, so these officials would gradually become experienced, so far as you can make them, along scientific lines.

The point is that in this work the department permitted a condition characterized by an absolute want of coöperation to exist, so much so that Doctor Knight felt called upon to resign. Now that this department is being reorganized and put under a new method of administration, I would like to draw the attention of the department to the fact that they must realize that advance in fish culture, in the whole fishing industry, will be developed by the study of these scientific men. That is the object of the research council, and if the department does not coöperate with it, these men, scientific men as they are, must drop out and leave. They have been given a fairly good start and I believe progress can be made with better coöperation.

I went up the Pacific coast to Alaska and I visited some twenty to twenty-two canneries on that coast. I was amazed at the degree of sanitation that prevailed around an industry of that kind, because any person who has gone into a cannery and watched the operation of bringing these fish from the sea, cleaning them and putting them into the cans, will understand that it is a difficult matter to adhere to sanitary methods. I was absolutely amazed to find that in all of these twenty-two canneries they had developed sanitary methods. In all the canneries I visited I found only one person handling the fish with bare hands. All the other employees in all these canneries were handling the fish with gloves, and were dressed in absolutely sanitary costumes. When you come to the Atlantic coast and deal with the matter of lobster curing, there is far more reason for sanitary methods there, because the anatomical features of this fish make it very difficult to prevent the tearing of the intestinal tract, causing the development of bacteria, and so on. These investigators and inspectors would find that after the lobster had been boiled and prepared for canning, instead of being put into the can at once, it would be left out for some hours during the day or perhaps left out over night. The fishing industry in Canada is now a large one, and it is a matter of importance to us that the canning should be done along sanitary lines and according to scientific methods. I trust now that the matter has been brought to the attention of the minister and the department, in view of the fact that

we are going to have a new administration in connection with fishery matters—I am not censuring anybody, because I know that this work must be carried on under men equipped with scientific knowledge—that we shall hear of great progress in the future. The success of this industry means a lot to Canada. If our canning is not satisfactory and our canned fish is not acceptable to the retail trade, the industry suffers because of its reputation. I would like to be assured that the department will be more active in coöperating in these matters in the future. If some official stands in the way of coöperation, I believe that the industry is greater than the official, and he must be given to understand that in this as in all other matters science is going to play its part, and no official can stand in the way and block it.

Mr. CARDIN: I may say that the closest coöperation does exist at the present time between all the officers of the department and the board.

Mr. ROSS (Kingston): I thought the minister might say that, yet here is a motion passed by the research committee in 1925. I tried to get the report for 1926, but could not. The motion reads:

> That the committee believes that the coöperation set forth in resolution 3, meeting of the executive committee of the board for January 3, 1925, has not been freely given, and desires to so report to the executive committee.

Mr. QUINN: May I ask what encouragement is being given by the department to the average citizen who is interested in the development of our fisheries, particularly the salmon and trout industries? I know of a man in Nova Scotia who is very much interested in the culture of salmon and trout, and who has as a result several year's work established, something along the line of hatcheries for the development of the ova and the fish fry. He appeared before the officials of the department and asked to be allowed to give a demonstration. No doubt one of the deputies will remember the case. This man's name is Parry. He was asked to take his plant over to St. John, New Brunswick, but owing to pecuniary circumstances he has not been able to follow that up. He did remove the plant over there, but was not given the opportunity of supervising the working of the plant. I would point out to the minister and his deputy that it is in the interests of this country to encourage in every possible way men of this kind who are willing to volunteer their services and information for the development of our fisheries. I ask from the department their earnest consideration for such men as Mr. Parry, who are willing and ready to give their knowledge and their services to the department for the encouragement of the fish industry. I think there should be some financial assistance given to such men. We vote money to help the farmers and to encourage different industries throughout the country. Why should we not encourage such men as the one I have mentioned, who is interested in the development of the fisheries of this country? I would like to have a statement from the minister. Does he know of this case?

Mr. CARDIN: We know of Mr. Parry, and I am informed by the director of fisheries that he has been told that we were quite ready to provide the necessary facilities to make a trial of his method. We are doing the same thing in regard to everyone who is in a position to offer any valuable new suggestion. The department is always ready to receive new suggestions and to give them every consideration.

Mr. QUINN: I quite appreciate that, but this gentleman happens to be a poor apple orchardist in Kings county, and in the last two or three years the fruit industry has not been very successful, and he has not made much money. His time is taken up largely with the development of his orchard, and I understand that he cannot afford to lose the time and money in going over there to supervise the working of his plant. I ask the minister to take that into consideration, and to see if it would not be possible to allow this gentleman something for the loss of his time when engaged on a work that is for the benefit of Canada.

Mr. BARBER: I fully approve of this vote. I expect that a small portion of it at least will go to the province of British Columbia. I know they are carrying on excellent work in that province. There is just one matter on which I wish to question the minister; it is a matter I have already discussed with the department, and that is the question of restocking some of the rivers on the lower mainland near the international boundary in the province of British Columbia. I believe that there is some objection on the part of the department to restocking these rivers with certain kinds of game fish, such as cut-throat and speckled trout. The department consider that they could safely, in the interest of salmon culture, restock these streams with steelhead, and it was indicated that it would be possible to hatch this species

of trout in the hatcheries in that vicinity. I would like to know if provision is being made under this vote for something along that line.

Mr. CARDIN: I am informed that the matter is in hand and will be provided for next year.

Mr. BARBER: That is in the fall of 1927?

Mr. CARDIN: Yes.

Item agreed to.

Marine and fisheries—salaries, $502,980.

Mr. CARDIN: That is civil government, salaries of the employees.

Item agreed to.

To provide for the salary of Hon, J. C. Patterson, commissioner to investigate titles of Great Britain to lands in the Arctic seas, $2,400.

Mr. GARDINER: Will the minister explain this item? It is an old one.

Mr. CARDIN: Yes.

Mr. STEVENS: He is a fine old gentleman.

Item agreed to.

DEPARTMENT OF NATIONAL DEFENCE

National Defence—cadet services, $500,000.

Miss MACPHAIL: What reason will the minister give for the increase in the cadet vote from $400,000 to $500,000?

Hon. J. L. RALSTON (Minister of National Defence): The reason of the increase is that there have been actually organized, but not authorized, some forty-nine cadet units which have been functioning without any assistance from the department, and the amount of $100,000 will not very much more than take care of them. I will give the hon. member the number of these units and the provinces in which they are located.

Miss MACPHAIL: We shall be very glad to have that.

Mr. RALSTON: Four in Alberta, four in British Columbia, two in Manitoba, one in New Brunswick, five in Nova Scotia, fifteen in Ontario, sixteen in Quebec and two in Saskatchewan.

Miss MACPHAIL: I understand they are having province-wide shooting contests. Someone was telling me that where one boy won a contest he was chosen to compete against a boy from another town, and finally it came to be a province-wide contest. What does the minister know about these contests?

[Mr. Barber.]

Mr. RALSTON: There is a contest in which these teams participate. Scores are kept, and the contest is for a trophy presented by His Majesty. The South African boys won the contest for the last two years, and I think the Canadian boys were second.

Miss MACPHAIL: I have always been opposed to the military authorities having any influence on the educational system of the different provinces. Other Dominion departments do not interfere with the matter of education in the provinces. The provinces themselves are supposed to control education, and I am therefore opposed to the increase of $100,000 in the cadet vote, which increase is evidently due to the number of units that are being asked for. I believe cadet training is military training. It is supervised by the Department of National Defence and is paid for by that department. It certainly was the idea of the founder, Sir Frederick Borden, to build up a citizen soldiery. Up till now, as I said a moment ago, the vote has been $400,000. To-day $100,000 is to be added, and the total of $500,000 I believe will be supplemented by the Strathcona trust fund. Possibly the minister could tell us what will be contributed by that trust fund.

Mr. RALSTON: The Strathcona trust fund is $500,000, the interest on which is available for the giving of prizes to cadets in the various provinces. The money is distributed on the basis of the school population.

Miss MACPHAIL: In its issue of February 24, 1927, the Ottawa Journal very clearly pointed out that cadet training is military in character. It said:

If Agnes Macphail M.P., doesn't understand the purpose of high school cadets, and the need of men of courage who can shoot straight, the white women in Shanghai do.

I thank the Journal for that item. I think the newspaper is right and that cadet training is military training. I have always maintained this because I cannot imagine the Department of National Defence asking for a vote of half a million dollars and going to the trouble of having provincial contests, training officers, and providing uniforms and arms unless the organization was entirely military in character.

Mr. QUINN: To defend the women of Canada and every other country.

Miss MACPHAIL: That is an old joke. Nobody believes that any more.

Mr. QUINN: It is no joke, it is an absolute fact.

Miss MACPHAIL: The purpose of cadets, then, is to produce men who can shoot straight; or to state it more brutally, to teach the boys of Canada to be "killers of men." I think anyone who has watched cadets training before these buildings could hardly deny the fact that cadet training is military training. Every time the militia troops parade, to receive military visitors or at military funerals and displays, the cadets take part, clearly identifying themselves with the military machine. Military men train them. The Department of National Defence pays the bill. We can safely conclude that cadet training is military training.

The Teachers' Journal in an issue of a few years ago told of cadet reviews in military barracks in Winnipeg at which winning teams of school cadets took 28 to 34 seconds respectively to bring machine guns into action. The same journal states that teachers in military district No. 10 would get free transportation and subsistence while taking the cadet officers' training course in Tuxedo barracks, Winnipeg. Two years ago the Minister of National Defence assured us it was true that the instructor of cadets received two dollars per head for each cadet up to fifty, and one dollar per head for each cadet over that number. It is easy to see how the larger salary paid the instructor will make him a good recruiting officer, and how a boycott against boys not in the corps can be effectively used, and I believe is used, to swell the number of cadets.

There are many people whose boys are taking cadet training who say: It's just physical training. This, I believe, is an error, and if to-day I can but establish in the minds of even some Canadian parents that cadet training is not physical but military training, I shall think it worth while to make this effort. The development of a healthy body, if considered at all, is considered only as a means to an end in military training, not as an end in itself. The aim is to make soldiers out of boys. Men who have specialized in physical training affirm that military drill is not good physical training. Dudley A. Sargent, physical instructor of Harvard, physical instructor and medical doctor, has said:

> Taking the most favourable view possible of military drill as a physical exercise, we are led to conclude that its strained positions and closely localized movements do not afford the essential requisites for developing the muscles and improving respiration and circulation, thereby improving the general health and condition of the system.

Let me quote now from an extract taken from the Boston Medical and Surgical Journal:

> This defect, we are pleased to state, is recognized by the great military nations of Europe, and measures are taken to give all the recruits from three to twelve months gymnastic training to develop them as men before they are expected to conform to the requirements of the soldier.

I could quote many other authorities to the same effect, but I will give only one more. Mr. Claxton, former United States Commissioner of Education, said:

> All schools should provide such means of physical culture through outdoor games and exercises as will result in the best possible control of the body and all its members. I do not believe that military drill in our public schools is the best means to this end and I feel quite certain that rifle practice in the schools is undesirable. There is so much else that is better for all purposes that can be provided at much less cost.

During the war "setting up" exercises were freely used to counteract the bad results of military drill. I believe all military schools employ physical training in order to keep their men fit. In games, in the gymnasium and on the track boys and girls dress for vigorous exercise. They aim, one might say, to get up a sweat; but cadets go out in stiff-looking, warm clothing and carry heavy guns, and they have all the appearance of trying to keep cool. I believe that our youth, both boys and girls, need physical training, but that training should be of the kind that is pleasing to them. To be good physical training it should be something which in itself is so pleasing that those engaged in it become intensely interested. Let me quote John Langdon-Davies of England on this point. In his book, A Public School in War Time, I find the following at page nine:

> Physical training which is to form character must appeal to the child as a pleasure. A pleasant thing is one which appeals to healthy instincts, and this can never be the case of routine drill. This last has to rely on something else than healthy pleasure for its incentives, thus proving itself to be the bending of human nature out of its natural course for the sake of an external object, and is therefore the antithesis of education.

I should like to make it clear that it is not the sum of money involved that I am objecting to. I would favour a sum exceeding the amount now in the estimates, to be paid by the Department of Health to the Department of Education in the various provinces for them to use for physical training, but not for military training. I think we could safely model our physical training on

the Swedish system. We should use the beauty of colour, music and form in training youth physically, but all military forms should be eliminated.

We know Sweden leads the world in physical training. As a matter of fact, in no other country have results been so striking, and she sticks to her athletic sports and games and does not indulge at all in military training. Is it not strange that Canada is increasing the military training of cadets at this time? I see no cause for it. I fail to understand why a department of the Dominion government is inducing the boys of Canada to take miltary training. France, after the crushing defeat of 1871 began to train her school boys to the practice of arms, but in 1890, after fifteen years experience, she abandoned the cadet system, not because the problem of defence was less urgent, but because military training was arresting the physical development of her secondary schoolboys. Australia tried the military system of training, but previous to the war her director general, after a thorough study of the problem in Switzerland, Sweden, Germany, France and England, recommended a system of games and organized athletic sports as the best training for schoolboys. I might quote other countries, but I will leave it there.

John Stuart Mill has said that all attempts by the state to bias the conclusions of its subjects on disputed points are evil. And that is just what the state is doing by influencing the education of the provinces. Education is being used as a political institution to form habits of thought and to circumscribe knowledge in such a way as to make one set of opinions inevitable. That is my greatest objection to military training The thing it does to the boy's mind is far more disastrous than the injury it does to his body. A great educationist, Mr. J. L. Paton, headmaster of Manchester grammar school writes:

> The people who instil military training permanently into our schools seem to me to be closing the gates of hope upon mankind.

These are very strong words coming from a great educationist. When in Canada not long ago he said practically the same thing. Bertrand Russell has said:

> I think it would be a real gain if men could be made to see that militarism is a form of cowardice. It is a desire for security that makes the common man acquiesce in the schemes of the militarists. Armaments are the most foolish method imaginable for seeking security, but fear makes men unable to think clearly and so they cling to old absurdities.

In our own families, as every one of us knows, active goodwill is the central principle that keeps the unit together, and that is true of our schools and of every form of government. It is true of every form of group life. If we have not active goodwill there can be no real progress. The world stands today in need of that spirit and, laugh me to scorn if you will, I think it is the only road to security. We cannot find security by arming ourselves to the very limit. I do not believe that preparedness for war will bring peace. What we carefully prepare for we usually get. If we prepare for war we get war; if we prepare for peace we shall get peace.

Mr. CLARK: Were we prepared for war in 1914, either in Canada or in Great Britain?

Miss MACPHAIL: Great Britain, I think, had been carefully preparing for war for a long time. She was not as unprepared as we have been led to believe. To my mind cadet training is the most vicious part of our national defence scheme. I have never attacked a permanent army if other people want that sort of thing, but I do object to imposing upon boys our own ideas instead of letting them think for themselves. I do not believe in imposing the thoughts of age upon the mind of youth. If we do not know the way out let us keep it to ourselves. Let us give the boys a chance to come to their own conclusions.

We may safely conclude that war settles nothing. It causes other wars by arousing hatreds. It brings unemployment, poverty, misery, crime and death. We can call as witnesses to this truth Viscount Grey, Lloyd George, Earl Haig, Sir Ian Hamilton, Wilson, Ponsonby, Morel, Sir Arthur Currie and a score of others. I will not tire the House by citing further authorities but they are innumerable. Yet military training in the schools leads the youth to think of it as the one method of settling international disputes. Military training is one of the ways of capturing the schools and colleges for the old philosophy. And it works. The militarist knows that all the talk about peace conferences, world courts and leagues of nations will fall on deaf ears if he can instil the war psychology into the minds of our youth. A boy who is trained in military methods will naturally think of war the moment trouble arises.

In the stone age men made use of brute force when groups quarrelled. We have progressed far since then. Surely no one in this House, even the most ardent Tory, will suggest for a moment that we have not moved

forward considerably since the stone age. We live in a scientific age and our knowledge is vast. Great numbers of inventions, coupled with the sciences, have revolutionized our methods of living, but we still use force as the means of settling international disputes. Science has made war much more destructive than it was in the distant past, and it will be still more terrible in the future. Yet war is an institution which is mothered by the state and sanctioned by the church.

An hon. MEMBER: Not all the churches.

Miss MACPHAIL: No not all; most of them. Around war has been woven romance and adventure, beauty of form, colour and sound. It has been given a greater place in song and story than any other one theme. But we know that it is a grinning demon. We know that it has neither glory nor beauty. The best literature of to-day is almost a unit in denouncing war. Wars are now world-embracing, and civilization can stand few more of them. It is more than likely that it would find it impossible to stand one more. Would it not be more sensible to leave the minds of youth free to study the causes of war and the means of removing those causes? The Women's International League for Peace on July, 1926, in convention in Dublin put themselves on record as follows:

> We women of the W.I.L. are of the opinion that the time has come to educate all children for peace; we hold it to be a crime against the souls of ripening youth to picture war to them as a necessity, or even as a moral duty; to train them in war-handicraft and instruct them in the art of killing. We consider the present-day militarization of youth to be a vestige of barbarism; and that this militarization takes place simultaneously with the convening of disarmament conferences and court of arbitration proceedings, with the assurance of the "Locarno Peace spirit", we hold to be one of the greatest hypocrisies in the history of mankind.

That resolution does not overstate it. I am often led to wonder how Christian nations can find comfort for their consciences in the wholesale slaughter of human life. The soul of every one of us here to-day revolts at the thought of murder, but soars in ecstasy if the murder be multiplied sufficiently to be called war. Wars are fought to gain markets, to extend territory, to increase investments, to protect property, to procure some necessary raw product. For instance, we fight to secure oil in order that we may have oil to fight with. I do not think that can be doubted. There is more fuss about oil now than about any other one thing. We must therefore conclude that civilization values property above human life. Fear is one cause of war and fear can be largely eliminated by early training. Military training in the schools thrives on fear and produces it. Military training in schools creates a bombastic military spirit of toy soldierism. Here is a picture of cadets parading, preparing for the annual review on Empire day, and among them there are three little chaps, little drummers, three of the youngest drummers in the massed bugle band. Reading from left to right they are:

> William Wilkinson, of Fern Avenue school, aged six years.
> Chester Mueller, of Kent school, aged five years.
> Thomas Martin, of Park school, aged seven years.

Some returned soldier sent me this clipping and he had written in pencil at the top, with a dart pointing towards the little chaps:

> Over in Germany they teach the children to be soldiers, so we were told in 1914. In Canada we wait until they are grown up.

I do not know how any of you can get any pleasure out of thinking that boys of five, six and seven years were parading with bands, deeming themselves soldiers. But there is certainly no comfort in it for me.

The number of cadets has very largely increased. The minister proved that by showing that they need $100,000 to take care of new units. I have not the figures for the year ending March 31st, 1926, but for the year ending March 31st, 1925, there were 40,686 more cadets in Canada than there were in the year 1920. That is to say the number of cadets increased in five years by 40,686, the greatest increase taking place in Quebec and Ontario—and I would not like to say that the best thought of Canada is in those provinces, much as I would like to do so. There is world-wide movement against war, and particularly against militarizing the mind of youth. The youths of Germany, of France, of England, of the United States—in fact of any country you can name—have risen in revolt against being harnessed by the military powers. They are sick of it. They see that the thing has not led them anywhere. In Canada too we have heard among our people some indications of a revolt against militarism. In that connection I suppose the labour movement in Canada should be given first place; it certainly should have that position throughout the world. Not only is labour opposed to militarism but the farmers are also. The same feeling is evident among women's organizations like the National Council of Women and the organizations which represent the more advanced

thought on this question, like the Women's International League for Freedom, and the Christian Student movement. There are not, I believe, in Canada, any International War Resisters. The Teachers' International Federation, which is to meet in July of this year in Toronto, is to discuss the elimination of militarism from among our school children. Canada has not taken as forward a step in the matter of discarding the military machine as some countries have, possibly because we have not suffered as much from war as some other countries, and do not know from actual experience how terrible it is. But there are some gleams of light even here. In the province of British Columbia last year—and they are preparing again for the event this year—many of the schools observed a "good-will day" on May 18th. That day was decided upon by the Teachers' Federation as the day on which the school children of the country should express what thoughts they had on good-will. This year, I am very glad to say, the city of Winnipeg has consented to the schools of that city also observing the good-will day on May 18th. The Winnipeg Tribune had a very interesting editorial on the matter quite recently, pointing out the need for celebrations of the kind. Children going to school should learn that the world is a much smaller place than it used to be, and that the children of all countries ought to be good friends and neighbours. But the lessons on that subject should not be limited to one day in the year. More frequent lessons would impress the subject on their minds more indelibly.

Resolutions have been passed by numerous public bodies in Canada in opposition to military training. For that reason I wondered why the vote for this purpose was increased at this particular time. Even in the city of Toronto the Ontario Educational Association passed two or three resolutions condemning military training and any teaching of a warlike spirit in the schools. A couple of years ago a survey was made of the public school system in British Columbia by two educationalists, Doctor Putman of Ottawa, and Dr. George Weir of the university of British Columbia. On page 95 of their report they say this in regard to military training:

> We take strong exception to the plan of having any part of this work—

Speaking of organized play and supervised games—

> —done by militia officers, who naturally give it a military bent.

Miss Macphail.]

Then on page 396 they say:

> We think the schools would suffer no real loss if every vestige of military training were eliminated from the school program.

I think the Prime Minister received a letter dated February 28th, 1927, from the Trades and Labour Council of Calgary, protesting against this increase in military training, and against the increased expenditure for national defence. That letter was signed by J. E. Young, secretary of the council. The Saskatchewan school trustees held a convention in Moose Jaw on February 16, 17 and 18, of the present year and resolution No. 19 passed by them was in effect as follows:

> We are opposed to the war propaganda, individualism and competition that we are teaching in our schools; and we go on record as being in favour of changing our history books and readers, and the teaching of peace and coöperation.

The students of the university of British Columbia revolted at military training in that institution. There was some talk about military training being made compulsory in the university, and an editorial appeared in the university paper taking a very strong stand against it. It declared:

> There has never been any wholehearted attempt to make militarists out of the students here, since the war, for the simple reason that the returned men at this college would not stand for it. Now that practically all of them have graduated, the tom-tom is beginning to beat once more.

It is quite evident that the students of that university are against allowing themselves to be driven where the military machine wants them to go. The Board of Education of Cleveland, according to the Christian Science Monitor, in its issue of January 13, 1926, came out in favour of eliminating cadet training from their curriculum, and it was to become effective last June.

I have not made any real attempt to gather all the protests that have been made against militarism or military training, but I have quoted sufficient to show that in Canada, indeed on the North American continent, there is a great body of public opinion in revolt against military training for our young people. It is evident that youth itself is in revolt against many old time institutions and customs, and they are very much in revolt against war. Speaking figuratively we can look upon Canada as a youth. When this nation is compared with other nations of the world, it is a very youthful one indeed. Such being the case, Canada should take its place in the ranks of those who have risen against war and all that it means. I ask against what enemies are we preparing the

youth of our country to fight? Apparently we have no enemies. Therefore I should say that Canada is in an ideal position to lead the world towards other methods of settling international disputes.

If one-half of the things that we hear about Canada being an autonomous, self-governing nation are true, we are not going to be embroiled in all the wars of the continent of Europe. We live on the continent of North America, and it does not look as though we are going to have any enemy against which we need arm ourselves. The only one that I can think of is the United States, and we would have a tremendous time arming ourselves against the United States should they want to annex us, which I do not believe they want to do. Some one in conversation said to me just the other day: Why should we sit still and accept the protection of the United States? I say: Why should we not? I think we should take advantage of every position which is naturally ours.

I wish the parliament of Canada could for five minutes view this question of militarizing the minds of youth as I view it. If you want to train grown men to be soldiers, you can do so; they are grown up and they know what they want to do; but leave the boys alone. I wish the people would say to the Department of National Defence and the government: Take your hands off the schoolboys of Canada. That is all I am asking the government to do. If they want to increase their military appropriations in other directions, I do not suppose we shall be able to prevent it. I do not know whether it is true that about 40 per cent of the expenditure of Canada goes for wars, past, present and future; but if it is true, it is a terrific waste of money; it is far too much money. It is much more than the thing is worth, and if we would spend that amount of money in making life better for the people who are alive rather than in attempting to kill somebody, we would have gone a long way towards eliminating the causes of war.

I do not intend to detain the committee any longer. I will say once more to the government: If you are paying for the instruction of the men who train cadets; if you are buying the uniforms; if you are supplying the guns; if you are giving the prizes which I think it is said were given by His Majesty—at any rate somebody is giving them and I suppose the people of some country are paying for them—if you are doing everything you can to induce these boys to take military training against their own inclination—because I do not think the boys are very enthusiastic about it—you cannot wonder the number of units is increasing all the time. All I can say is that this expenditure will increase as time goes on, and the result will be that the minds of the boys in Canada will be biased while they are growing up and they will look upon war as the only method of settling international disputes. Because I do not believe it is the best method and because I think the government is doing the boys of Canada the greatest possible injustice it can do to them, I move that this item be reduced by $499,999.

Mr. BRADY: This is the first occasion on which I feel it incumbent upon me to object to the observations made by the hon. member for Southeast Grey (Miss Macphail). This is the first time that I find myself in utter opposition to any hon. member in the presentation of matters to this House. On the question of cadet training, I can present to the hon. member for Southeast Grey an experience of twenty-eight years in cadet work, not merely in Canada, but in Australia, New Zealand and South Africa. Tennyson once said: "Self-knowledge, self-reverence and self-control are the three great powers in the development of character and morality," and in cadet training we have taught and inculcated that in a degree which is perhaps not known by the hon. member but is known by all who have seen the effects of cadet training in the high schools and particularly in high schools throughout Canada.

I am sorry to have absolutely to oppose the views of the hon. member. I would like to be able to agree with her, but in a question of this sort we must be honest and we must recognize the fact that there is nothing military in the training given to-day to cadets in the high schools of this country. Furthermore the physical training is absolutely up to date and commensurate with the best improvements in the physical development of our youth. I would ask any hon. member just to ponder over this question: What is the purpose and aim of the educators of our youth in Canada to-day? It is this: To make good citizens; to make law-abiding citizens, to make citizens who will live up to their responsibilities. I say unhesitatingly and without fear of contradiction that cadet training in our schools to-day is bringing out from our youth all those attributes of honour, discipline and self-control that go to make a great country and a great nation.

Furthermore it is wrong, it is, to say the least, improper, that a viewpoint is given out to our people and to this House that our

youth are made biased by the training which they receive in those schools. I would like the hon. member for Southeast Grey to visit the schools in British Columbia and see the actual conditions and the teachers who have charge of those boys. I would challenge her to see even a semblance, even a very shadow, of that military dragon which she has lifted up and presented to many people who are ignorant of the facts that lie behind this cadet training.

Mr. WOODSWORTH: Perhaps the hon. gentleman has not read the report to which the hon. member for Southeast Grey has referred, namely, an inquiry into conditions in the schools in British Columbia, in which report the commissioners spoke very strongly against the cadet training.

Mr. BRADY: I had a part in the report of that commission. I likewise assisted in a small way in the work of the commission. Whether that report was adverse or not, you will always have opinions adverse to every scheme that has as its foundation the purpose of ennobling our youth and making them law-abiding citizens.

Mr. WOODSWORTH: I hope the hon. member does not suggest that Doctor Putman and the other commissioner were opposed.

Mr. BRADY: I am quite pleased when I hear the hon. member for Winnipeg North Centre refer to Doctor Putman. I know him personally. Of course, in any scheme, no matter what it is, there are imperfections, and he may have instanced a few things that perhaps he would like to see improved, but I say unhesitatingly that if there is one thing that has been for the good of Canada, it is the cadet training that is carried on in the high schools of the Dominion, and I say that that training should be continued until there is not one boy in the length and breadth of Canada who will not know how to stand up straight and control his body as well as his mind. That is the purpose of cadet training. Everybody knows that the newspapers to-day are full of instances showing how our youth are undisciplined and unwilling to accept authority. They want to go the wild and easy way. I say that there is no form of moral discipline more natural in its application and more worthy of commendation than the cadet training that is given in the high schools of British Columbia; I cannot speak for the other provinces.

As to handling a rifle, you would imagine from all this talk about shooting, that every boy is being taught to prepare for the day when he may point that weapon directly towards the enemy. That is not so. I will tell you why we are teaching the boys to shoot. There is not a season in which we have not scores of deaths through negligence and lack of knowledge of handling a rifle. By our cadet training we have reduced to a minimum the number of accidents in the hunting field in British Columbia. We teach the boy that in order to shoot well he must have perfect control over his muscles, that his brain and body must coördinate perfectly. I say that it is absolutely necessary that our boys be trained in the use of the rifle, not for military purposes by any means. I wish that those who are antagonistic to cadet training would only do the intelligent thing and go and visit the schools where this training is being carried on before they oppose it. I am speaking from experience, and I am very sorry indeed that I should be called upon to protest strongly against what I consider the exaggerated picture of cadet training that has been presented by the hon. member for Southeast Grey. I say that if we had more of this training, we would have less crime, and we would have a better direction of the energy of our youth into proper channels.

Mr. WOODSWORTH: There are a few remarks that I should like to make with regard to this general question. I feel sorry in some ways that we have in the present Minister of National Defence a gentleman whom I think we all very highly respect. It makes it perhaps a little more difficult to speak against his estimates, but I am quite sure that none of us here thinks that when an hon. member speaks against these estimates he is speaking against any individual. I should also like to make it very clear that when we speak against militarism, we are not in any way making light of those who very sincerely think that that is the best way of defending their country. But we do say that there are other ways, as we see it, and we hope that our friends who differ from us will at least do us the courtesy of thinking that we are not doing this simply because we are cowards or because we have no love for our country.

I wish to congratulate the hon. member for Southeast Grey on her very excellent presentation of this case. I do not wish to make a speech of any length, because all I could do would be to endorse what she has already said so well. I would, however, like to congratulate the women of Canada upon having sent as their first representative to this par-

liament one who has taken such forward ground with regard to a great problem of this character.

Mr. CANTLEY: No.

Mr. WOODSWORTH: Someone says no. I quite recognize that there are differences of opinion. Whilst we may have considered that in the past it was by force of arms we would best be able to protect our country, the war has taught a very large number of people that war is absolutely futile in settling any question whatever. I know that there are a large number of people in Canada who believe that. Perhaps they have not had the opportunity of voicing their sentiments as freely as I do; perhaps some are a little bit loath to voice their sentiments, but there are a large number of people in this country who are thinking along these lines. We do not stand alone in this. Reference has been made to the labour movement. Tens of thousands of labour men went overseas and fought in the war, and the Trades and Labour Congress has endorsed this movement. The Canadian Council of Agriculture, representing the great farm movement in this country, has also endorsed it, as well as a number of the churches. The United church, for instance, has passed this question of cadet training to all its courts, and it is now being discussed from coast to coast. More than that, I would point out that a large number of our younger men, headed by those who were themselves at the front, have decided that they cannot hope for any good result from any war in the future, and they are looking to some peaceful way of settling troubles in the days to come.

Perhaps we might have been prepared for some exhibition of militarism for some little time after the war. Long after a storm has ceased to blow we know that the waves run high, but after a while they begin to subside, and I had hoped that the military feeling would gradually subside as we got away from the war. Unfortunately, however, the increased estimates before us would seem to show that the forces that would carry on our affairs along the old lines are very strong indeed, and one of the greatest troubles about this military question is that we have professional militarists whose job is involved, men who are at the thing in season and out, trying in every way to use their influence to perpetuate it. They may be quite honest and sincere in their viewpoint. I am not suggesting that they are not, but they are professional militarists; in season and out of season they are pressing this matter, and the great mass of public opinion has no very easy way of manifesting itself. I should like to ask the minister if some time in the course of this debate he will be good enough to answer the question which I asked his predecessor and to which I received no answer, that is, against whom are we arming? With regard to any expenditure that is proposed the minister is expected to state its purpose. With regard to military matters the minister merely gives us in this case the specific purpose for which the expenditure is asked, but he does not state the great objective of the whole of the military estimates and expenditures. I ask, against whom are we arming? It is unthinkable that we could ever hope to fight the United States. I cannot think that after the last European war it is possible for Canadians to be dragged into another European war. I cannot think that we are going to travel over the Pacific to get into trouble in Asia. No country is more favourably situated than Canada for being in the forefront in a great peace movement. We have everything to gain by such a movement and nothing to lose. So far as external enemies are concerned, will the minister tell us definitely against whom we are arming? Some people have said that we are arming against the radicals in this country. I cannot believe that that statement was made seriously. Are we proposing to settle questions of domestic trouble by means of force? It seems to me we are surely in a position where we can remove causes of friction or misunderstanding in some other way. I cannot think that our Canadian people are going to be militarized to that extent. Against whom are we arming?

Mr. MacLEAN (Prince): What is the cause of our great security at the present time?

Mr. WOODSWORTH: Somebody suggests war weariness, that is part of it. It is because we are not an aggressive nation. No one wants to attack us and we do not want to attack anyone.

Mr. MacLEAN (Prince): The answer is that Great Britain is armed to the teeth and prepared to protect her possessions overseas as well as her home shores.

Mr. WOODSWORTH: I quite believe that that is the common position taken by many, but I do not believe it is a correct one. I do not believe that we are one bit safer because of the British army or navy.

Some hon. MEMBERS: Oh, oh.

Mr. WOODSWORTH: That is my opinion, and it is corroborated by the history of past

wars in which Canada has been involved. In all probability the answer would be given that preparation for war is an assurance against war. Here again I think the experiences of the last war absolutely demonstrated that such is not the case. If any country was prepared, it was the great country of Germany, and her preparations were absolutely useless, as we all know to-day. Preparation for war is no assurance against war; in fact it is the surest way in which we can be led into war. I think that is the point to which we are coming and to which the thinking of the world is coming. The other day a despatch came from Geneva, and I will read one paragraph of it. Notwithstanding the treaty of Versailles, notwithstanding the Great war, as a matter of fact we are witnessing in Europe greater preparations for war than have existed in almost any other period. This despatch reads:

> With the failure of the commission to wring from Europe's leading conscript nations any basis for actual reduction of armies, no greater success was expected with either naval or aerial armaments. That means Europe's five leading nations, England, France, Russia, Italy and Germany, together with Japan, will continue to maintain their present armaments budgets which now average $1,500,000,000 annually, while the world total armaments budget, of which the bulk is European, will remain in the neighborhood of $3,000,000,000 annually.
>
> England alone now is spending nearly $13 per capita annually on armaments; France nearly $6; Italy nearly $4; Japan $3.70; Russia $1.50, and Germany, $1.70. In addition to the direct expenditure, the world's leading conscript nations will continue to deprive their young manhood of one of the most productive periods of its life for military training, while reserve classes up to an advanced age must remain under obligation to sudden summons to the colors.
>
> National Security
>
> The leading conscript nations of the world are France, Italy, Belgium, Poland and Czecho-Slovakia. With Japan, those nations, claiming the necessity for national security, have refused to accept any provision that would alter the present size of their armies, decrease their maximum permanent reserves or change their conscript systems.

Mr. QUINN: Has my hon. friend compared the figures he has just quoted with the amount of the premiums paid throughout the world for fire protection and fire insurance? Why do we insure our properties against fire? Is it because we want them to be burned?

Mr. WOODSWORTH: No, but the parallel is not a good one by any means. Why set fire,—except as we do sometimes in backfiring on the prairie,—to one corner of your building in order to protect the whole building? Why store a powder magazine in one corner of it in order to protect it? By its very nature military preparation is the thing most likely to lead to hostilities. We have recognized that very clearly with regard to quarrels between individuals; we have largely disarmed individuals, and to-day we are safer unarmed than we would be if every man carried a gun.

Mr. EDWARDS (Frontenac): That is the reason why we have a police force.

Mr. WOODSWORTH: Yes, but I would suggest that as years go on we are resorting less and less to force, and by our social adjustments we are actually removing the need for police of the older type.

Mr. DICKIE: If England had not been at least partly prepared for war, if the British ever had the same idea as my hon. friend has enunciated to-day, what would have happened when Germany invaded France?

Mr. WOODSWORTH: I do not want to go into that question.

Mr. DICKIE: Let me tell my hon. friend that the result would be that Great Britain to-day would be eating sauerkraut.

Mr. DUFF: It is a pretty good dish.

Mr. WOODSWORTH: I should have thought that arguments of that kind would not be used during the last two or three years, after so many books have been written dealing with the causes of the last war. A great many people, no doubt, have not yet read the very many interesting and instructive books which have been published in the last few years and which have shown that the stories told during the war were absolutely untrue. I have a long list of those books and if anyone wishes me to quote from them I can do so. I do not want to enter into that discussion, but I say that England was well prepared; she recognized from the way things were going that war was inevitable, and she took good care to be prepared. But I would say that if she with other nations had sought to remove those causes of friction which everybody knew were present, we would not have had the war at all.

Mr. McGIBBON: The hon. member says that England was prepared for war. How many units was she capable of putting into the field?

Mr. WOODSWORTH: I have already said I do not intend to go into that.

Mr. McGIBBON: Tell us.

Miss MACPHAIL: Let him make his own speech.

Mr. WOODSWORTH: England was not so much prepared on land. We know that. British policy for many years was based on the idea that if she were ready with her navy she would be more than a match for any nation that might come against her. She had the greater preparation. I shall be glad to go into that on another occasion.

Mr. McGIBBON: Seeing the hon. member does not know, probably he would like me to tell him.

Mr. WOODSWORTH: There will be an opportunity. Before I close I should like to quote a paragraph which I came across in a little paper sent to me. It is rather pathetic that this should be issued by some unemployed veterans in Canada. I do not know anything about the Veterans' Review, but after speaking of the enormous cost of the war, not only in money but in human life and suffering, the article proceeds:

> Altogether it is a tremendous price and should bring a tremendous good to mankind. But no goods have been delivered; the world is not "safe for democracy"; wars are not ended; small nations are in deadly fear; minorities are not protected. On the other hand, there are many Alsace-Lorraines instead of one; wars are everywhere; another great war threatens; and the world is in chaos with suffering, oppression and distrust everywhere. Yet having paid the price, and having been cheated of the thing we bought, we are told we must get ready to pay again a like price to get the same goods.
>
> Those who talk of and prepare for the "next war" are the dangerous men of our time. They should be wholly discredited, however well-meaning they may be, for their advice and leadership have brought civilization to the verge of the abyss.

Many of the returned men speak in this way. I do not say that the men who have been to the front are the only men who have the right to speak; I think they have the right to speak, for they know at firsthand what war means; but I would say that any man who has made even a superficial study of the horrible evils of war, or who sincerely asks himself what the last war has accomplished, cannot but be anxious to ascertain if there is no other way of settling international disputes.

Mr. McGIBBON: May I remark that it saved your liberty?

Mr. WOODSWORTH: I do not consider it saved my liberty one little bit. I would point out that all over the world to-day we are experiencing a period of reaction in almost every department of life. That is due directly to the war. To-day we are shouldering an enormous burden. As we all know, almost half our national revenue goes to pay for the last war. So I cannot see that that war accomplished anything.

I must thank you, Mr. Chairman, and the committee for your courtesy if I have gone a little far afield. I do not want to impose upon hon. members, but I would say that undoubtedly we cannot settle this cadet vote without having these larger issues in mind. If in the future as in the past war is to be the arbiter of our international disputes, then I say, train every man; let us go even as far as they do in France and train every woman too. I would say further, let us before this session closes pass a law to conscript wealth automatically the moment war is declared. Surely no one can say that wealth is worth more than men.

An hon. MEMBER: Yes, they do.

Mr. WOODSWORTH: I say it would be far better before we go any further in training our boys for a future war to pass a law that the moment war breaks out every dollar in the hands of every man in this country should be conscripted for the service of the state.

Some hon. MEMBERS: Hear, hear.

Mr. WOODSWORTH: I think that is the only fair way. I am not here, as some may think, simply to be heard. It is not easy for me to do this. Some of you men can understand, perhaps, how difficult it is for me. But I have boys, as you have boys. It does not make so much difference to some of us; we will not be called to the front, we need not worry about these things; but I want to save my boys. I want them to be brave, I want them to do their duty to their country, but I certainly do not want them to become like some of the poor wrecks that survived the last war, and I would not lift my little finger to send my boys into the shambles.

Mr. ADSHEAD: Mr. Chairman, I wish you would declare it six o'clock. I adjourn the debate.

Some hon. MEMBERS: No, go ahead.

Progress reported.

PRIVATE BILLS

FIRST AND SECOND READINGS

Bill No. 307 (from the Senate) respecting certain patents owned by Warren Brothers Company.

Bill No. 308 (from the Senate) for the relief of Gordon Hiram Langford.

Bill No. 309 (from the Senate) for the relief of Amanda Leona Chowns.

Bill No. 310 (from the Senate) for the relief of Edwin George Winfield.

Bill No. 311 (from the Senate) for the relief of Beulah Faye Wood.

Bill No. 312 (from the Senate) for the relief of Jane Rennie.

Bill No. 313 (from the Senate) for the relief of Dora Louisa Eliza Maxwell.

Bill No. 314 (from the Senate) for the relief of Lillian Moir.

Bill No. 315 (from the Senate) for the relief of Gertrude Isabel Middlebrook.

Bill No. 316 (from the Senate) for the relief of George James White.

Bill No. 317 (from the Senate) for the relief of Maude Cummings.

Bill No. 318 (from the Senate) for the relief of Wilhamina Susanna Annis.

Bill No. 319 (from the Senate) for the relief of Dorothy Mildred Jeffrey.

Bill No. 320 (from the Senate) for the relief of Sadie Feder Gelfand.

Bill No. 321 (from the Senate) for the relief of Orma Maunder.

Bill No. 322 (from the Senate) for the relief of Isabella Jane Boyes Brew.

Mr. J. F. JOHNSTON (Long Lake): By unanimous consent I beg to move:

That the said bills be now read a first and second time and referred to the select standing committee on miscellaneous private bills.

Motion agreed to.

STERLING TRUST CORPORATION

Mr. J. F. JOHNSTON (Long Lake) moved:

That Bill No. 306 (from the Senate) respecting the Sterling Trust Corporation be now read a first and second time and referred to the select standing committee on banking and commerce.

Motion agreed to.

EXCISE ACT AMENDMENT

SENATE AMENDMENTS

Mr. SPEAKER: I have the honour to inform the House that I have received a message from the Senate that the Senate do insist upon their first amendment to Bill No. 119 to amend the Excise Act, to which the House of Commons have disagreed, but do not insist upon their second amendment.

On motion of Mr. Mackenzie King the House adjourned at 6 p.m.

[Mr. Adshead.]

Monday, April 11, 1927

The House met at eleven o'clock.

REPORTS AND PAPERS

Agreement respecting the natural resources of Alberta; correspondence respecting the natural sources of Manitoba—Hon. Mr. Rinfret.

REPORT OF COMMITTEE

Eighth report of the select standing committee on banking and commerce—Mr. Sanderson (for Mr. Hay).

PEACE RIVER RAILWAY OUTLET

OBJECTION TO MOTION TO CONCUR IN REPORT OF RAILWAY COMMITTEE

Mr. WILLIAM IRVINE (Wetaskiwin): moved:

That the eleventh report of the select standing committee on railways, canals and telegraph lines be now concurred in.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion?

Some hon. MEMBERS: No.

Mr. D. M. KENNEDY (Peace River): I rise for the purpose of opposing the adoption of this report. The report, which will be found on page 2138 of Hansard of April 8th last, reads as follows:

The select standing committee on railways, canals and telegraph lines beg leave to present the following as its eleventh report.

Your committee has considered the following resolution referred to it:

That, in the opinion of this House, the time has arrived for the commencement forthwith, and the completion in the near future of a direct railway outlet from the Peace River country to the Pacific coast.

Your committee, having heard evidence on the subject matter of the resolution from the premiers of Alberta and British Columbia and from engineers who have investigated this project, and others, is of opinion that building a western outlet from the Peace River area is feasible from an engineering standpoint.

The weight of evidence before your committee indicates that, on economic grounds, such construction should not be commenced forthwith, as set forth in the resolution referred to your committee.

Your committee is of opinion that much greater traffic development is necessary in the area to make the building of such outlet economically sound.

Your committee is further of opinion that potentialities of that area are such as to warrant a continuous study of its development.

All of which is respectfully submitted.

It is not my intention to take up very much of the time of the House in connection with this matter, especially in view of the fact that so many hon. members—nearly all of them in fact—have been working so hard and for such long hours during the last ten

days in order to finish the business of the session. But I cannot allow the report as it has been presented to go unchallenged, because I cannot agree that it correctly interprets the evidence that was adduced before the committee. I am in general agreement with regard to the paragraph which states that a western outlet from the Peace river area is feasible from an engineering standpoint, although certain evidence was brought out before the committee in this connection that ought to be called to the attention of the House, because it affects to some extent the additional clauses in the report. The engineers commenced their report with these two paragraphs:

The undersigned were instructed to outline the engineering and economic features of the various proposed railway routes for a western outlet of the Peace river country to the Pacific coast.

A map showing the location of the various routes, giving distances, gradients, and other physical features would be of very little use, unless information as to costs of construction and comparable costs of operation were also given. We therefore have embraced in this report an economic study of the various routes considered.

We have a definite comparison of three routes any of which might be built to serve the Peace river country with an outlet to the Pacific coast. After having listened to the evidence, I claim that the engineers never made an engineering study outlining the engineering features of the various routes proposed. The first route that was examined and reported upon in the report is the Obed route. The survey in connection with this route is complete and it was in charge of Mr. Hill of the Canadian National Railways. Mr. Hill's official title is exploration and locating engineer of the Canadian National Railways. With regard to this route we have the following evidence by Mr. Hill:

Q. Who did the work in these routes?—A. We had regular surveying parties run over them. On the Obed route we have a complete survey from one end to the other.

Q. A complete survey?—A. A complete triline survey.

Q. Not a reconnaissance?—A. Not a reconnaissance, but an instrumental survey.

Q. In that case, Mr. Hill, you are in a position to speak definitely when you say that the new construction will be 204 miles from Aggie to Sturgeon lake and down to Obed?—A. Within a reasonable percentage.

Q. How much allowance is there for variation—either less or more?—A. We would not want any more than—it would be within 10 per cent, and probably within five per cent.

Q. And would you say the same thing for the capital investment?—A. Yes.

The point that I am making is, that, according to the evidence submitted by Mr. Hill who was in charge of the Obed route survey, there is a complete survey of that route. One would think that in order to make a proper comparison of this route with any other it would be necessary to have the same kind of a survey, but we find that that is not the case. The next route referred to is the Monkman pass route. We have the following evidence given by Mr. Hill at page 16 of the report of the committee on railways and canals with regard to the Monkman pass route:

Q. Is this a final survey or a reconnaissance or a trial survey?—A. This is a reconnaissance.

Q. What is the difference between reconnaissance, trial and a complete survey; will you kindly explain that? What do you do in the case of a trial survey, for instance?—A. Well, a trial line is generally an instrumental survey; it is an accurate survey.

Q. A trial survey is accurate?—A. Yes.

Q. What is a reconnaissance survey?—A. Well, they just trust the man that goes over it.

Q. He goes out with a pack on his back, is that it?—A. Well, they have different forms of transportation.

Q. Is a reconnaissance survey a question of making a trip there to see if it is at all likely a railway can be built?—A. Yes.

Q. A trial survey is a survey that actually gives you the level?—A. Actually gives you the levels and the relative positions.

Q. What is this Monkman pass survey? Is it a trial survey?—A. A reconnaissance.

Q. When we come to the question of costs and grades how reliable are these figures in connection with the Monkman pass as given in this report?—A. Just an engineer's guess, that is all.

So they make a comparison between one route, the Obed route, where there is a complete survey, and another route, the Monkman pass route, where we have an engineer's guess. The third route that was dealt with was the Peace River pass route. The gentleman who was in charge of this survey, such as it was, was Mr. W. A. James, assistant chief engineer of the Canadian Pacific Railway, who gave this evidence before the committee on railways and canals:

Q. You are the C.P.R. engineer who signed the report?—A. Yes, sir.

Q. Were you over the route from Spirit river right west through to Hudson Hope and from Berwyn west of Hudson Hope on the north side of the pass, and then through to Stewart?—A. On the north side of the pass I left Fort George and went up to Summit lake and down the Crooked river, the Pack river and the Parsnip, down the Peace river to Peace River Crossing and then northwest from Peace River Crossing, which is a station on the Peace river, and then back to Peace river and to Carcajou point. I drove west from there and down paralleling the Peace river about 20 miles as far as Fort Vermilion, then I came up the Peace river from Fort Vermilion to Peace River Crossing again. I was over two months on that trip.

Q. You were actually over the route, were you?—A. Yes, sir.

Q. And the actual location of the railroad that is called Stewart to Prince Rupert and Vancouver via Peace pass?—A. I went by the Peace pass but I did not follow what you would call the actual route; I was on the river.

Q. We have no trial survey of this route, have we?—A. No, sir.

Mr. James made most of his exploration of this route from the Peace river which is in a valley 800 feet below the level of the territory to be served by the railway. As a matter of fact in the evidence he admits that as regards about 200 miles of the line that is projected on the map west to Stewart on the Portland canal, he was not over that route at all. We have what purports to be a serious comparison of the economic and engineering features of three routes, as regards one of which there is a complete survey and as regards the other two, we have simply engineers' guesses. The engineers claim to have made an engineering study and an economic study of these routes, but how can one claim to have made an economic study on the basis of an engineering study of that kind? This is the first time that I have ever known that a guess could be called a study. The two things are entirely different, and for that reason I am in complete disagreement with that paragraph of the report which reads:

> The weight of evidence before your committee indicates that, on economic grounds, such construction should not be commenced forthwith, as set forth in the resolution referred to your committee.

As a matter of fact the resolution did not set forth that construction should be commenced forthwith. The wording of the motion is "commencement forthwith." Commencement does not necessarily mean actual construction of railway mileage, although I think as I go along I can show that even that will be justified.

In connection with this whole question there has been constant confusion as between the relation of the outlet and the branch line mileage. The Minister of Railways (Mr. Dunning), in his speech on this question in the House of Commons, made this statement as reported on page 256 of Hansard of February 14, 1927, and I am in entire agreement with this part of his speech in which he refers to the need of branch lines:

> —but I think my hon. friend will also agree with we when I say that the problem is not in the main one of branch line construction to serve settlers now farming there. Only a relatively limited number of the farmers are now long distance from existing lines of transportation, and the problem is really one of providing a more economical way to the markets of the world for those situated within reasonable distance of those existing lines of transportation. I want to qualify that by saying that, as the engineers' report demonstrates, there is undoubtedly need for some further branch line construction on the Edmonton, Dunvegan and British Columbia system in order to enable the country to fully develop, in order to assist in its settlement and encourage immigrants, but in the main the problem is one of providing a more economical outlet to the people already there and within a reasonable distance of the existing lines of railway.

The outlet and the branch lines are not two separate and distinct matters at all; they are simply two parts of the same problem. Everybody will agree that that part of the outlet that would best serve the Peace river country in the way of branch line mileage would be the proper portion to build first, and I may say that it is because of the indefinite nature of the engineer's report that I would have to waive my pressure for the immediate commencement of construction of an outlet at the present time, because I do not believe that even an engineering study of the outlet question has been made, to say nothing of the economic study, which must be based upon a proper engineering study.

We all know that that country is being served at the present time by the Edmonton, Dunvegan and British Columbia railway. We all know that the branch line mileage that will properly serve the country as it is settled to-day and connect with the Edmonton, Dunvegan and British Columbia railway, will not fit in properly with an outlet to the Pacific coast. Mr. Czowski admitted that in his evidence, and I think everybody will agree that a branch line system constructed with one outlet will not necessarily, and will not likely, fit in with another outlet. I do not wish to take time quoting from the documents in support of that, because I think it is generally agreed. What I ask at the present time is that a real study be made of the Monkman, the Peace, and the Pine passes, and that a definite policy be laid down with regard to the permanent development of the Peace river country and an outlet to the Pacific coast. Then we can lay down the branch line mileage that is necessary to serve the Peace river country as it exists to-day, or will exist in the near future, in such a way that our branch line mileage will fit in properly and economically with that Pacific coast outlet when it is built, but I submit that it is absolutely impossible for the government of the province of Alberta or of British Columbia or the Dominion government intelligently to lay down a system of branch lines that will be of the proper ceonomic

advantages to the Peace river country and the Dominion unless that policy is laid down with a full knowledge of where the Peace river outlet is going to be.

We all know the problem that has arisen in this Dominion because of the duplication of railways. We have an example of that west of Edmonton, where about 200 miles of track was torn up because duplication rendered one track absolutely useless. We want to avoid that thing in connection with the development of the Peace river country, and as a matter of fact the engineer's report shows that it can be avoided, because the estimate which they have worked out in connection with the various routes is based on the branch line mileage serving a country with about 6,000 acres of economic land in the Peace river country tributary to each line of railway, as compared with some 5,200 acres in the rest of the prairie provinces. I am anxious that we should study the question in the light of our past experience, in the light not only of our past mistakes but of our past successes, so that we may evolve a railway policy for the development of that country that will be best not only for its immediate future but for its ultimate future as well.

With regard to the contention that it is economically unsound to build an outlet at the present time, I have this to say: The engineer's report seems to lay down the principle, by inference at least, that until such time as the necessary tonnage is available to justify the route from its commencement, it is economically unsound to build. I know of no railway in the Dominion of Canada that has been built on that basis. I think it was stated years ago when the building of the Canadian Pacific railway was under discussion, that it would not pay for the axle grease used in running the trains across the prairies. Neither is the feasibility of the Hudson Bay railway being tested by that principle. I am quite sure that it was not the principle on which the feasibility of the Grand Trunk Pacific or the Canadian Northern was decided, nor is it the principle underlying the branch line program of the Canadian National Railways that was presented to parliament this year, because the roads are there referred to as development and colonization lines.

What I want, Mr. Speaker, and what I think is in the best interests of the country, is to complete the survey of these routes and have a policy determined upon so that we shall know where to build our branch lines, and let me say that once we have built a mile of branch line that fits in with a policy for a permanent outlet we can be said to have commenced construction of the Peace river outlet. In that sense I say that the time is ripe for the commencement of that outlet, for we need at least 100 miles of branch lines in that country.

It is the last clause in the committee's report to which I particularly object, reading:

> Your committee is further of opinion that potentialities of that area are such as to warrant a continuous study of its development.

The previous clause reads:

> Your committee is of opinion that much greater traffic development is necessary in the area to make the building of such outlet economically sound.

Now if the last clause of the committee's report is adopted by the House of Commons and the government, it will simply mean that we do not mean to do anything, because it obligates the House of Commons and the government to do more than every member of parliament is already obligated to do with regard to every problem facing the Dominion of Canada. A continuous study of the development of the Peace river country is an obligation upon all the members of this House without any report being submitted to us from the committee on railways and canals, just as a continuous study of the problems and development of the maritime provinces or of Ontario or Quebec is the duty of all members of this House, whether from the west or elsewhere. That is all that clause obligates the House and the government to do, and I submit that either a mistake was made in drafting this report, or else the report is an attempt to shelve this Peace river question.

With regard to tonnage, it was pointed out in the committee, I think, that the engineer's estimate was that in the years 1919 to 1923 we had moving out of the Peace river country about 48,000 tons of grain on the average each year. Then they set down the immediate traffic that would go to the Pacific at 35,000 tons.

The evidence of Premier Brownlee based on grain shipments up to I think March 31st of this year, shows that about 130,000 tons has gone out of the Peace river country in the last crop year, from an area of only 270,000 acres of land, and we have about 2,000,000 acres of land of the very same type in the Peace river country in the area served by railways or that can be easily served by branch railways. Again 50,000 tons of grain produced on the Edmonton, Dunvegan and British Columbia railway in the years 1919 to 1923 about 150,000 revenue tons of other traffic and yet the engineers state in their

economic study that only grain traffic is going to be considered in connection with this Peace river outlet. They seem to rule out altogether the development that would take place in the Peace river country as a result of the construction of additional branch line mileage and the ultimate completion of the outlet itself. I submit that the committee has not given proper consideration to the engineering and economic features, and that the House is not justified in adopting its report. This question is of great importance to Peace river. The report says that all we are going to do in the immediate future is to study and watch the development of the country. I am glad the Prime Minister is in his seat, because he was not present when I spoke on this question before. I do not think we can say that the Prime Minister's statement cannot mean anything in view of the findings of the engineers, or the recommendations of the president of the Canadian National Railways. I am going to read again the statement made by the Prime Minister at Edmonton, and I hope that if he votes against the amendment which I propose to move, and for the report of the committee, he will at least tell the House, and especially the people of Peace River and Edmonton, what this statement meant. This statement appears in the Edmonton Bulletin of 11th October, 1924—I think it should be 12th October—and is headed:

King pledges self to Peace river cause.

Then there is a heading:

Premier promises outlet to Pacific.

Then sub-headings as follows:

Just as soon as humanly possible.

Railway will be built, declares Prime Minister at mass meeting here.

Government has but minority in Commons, says times now are different and everybody must have a little patience, but Liberal party is not falling down on any of its pledges.

The quotation reads:

"It is the policy of the government of which I have the honour to be the head to introduce a vigorous policy of immigration which will people the vast areas of undeveloped country in the great west" declared the Right Hon. W. L. Mackenzie King, Premier of Canada, when addressing a mass meeting of citizens in the First Presbyterian church last night.

The future prosperity of this country is bound up in the development of its great natural resources, and to develop these resources it is necessary to have a large increase in the population of Canada. There is to the north of this city a great tract of land that is crying out for development. The Peace river country is amongst the richest in Canada, but before the proper development of that country can take place an outlet to the Pacific coast is an absolute necessity. I pledge myself that as soon as it is humanly possible the great Peace river country will be given that measure of railway relief that will bring to the pioneers of that country the outlet they have been so long denied, and will open up the country for prospective settlers.

"I must however, sound the same note to you here as I did to the citizens of Saskatoon."

I suppose that is in connection with the Hudson Bay railway.

"The times that we are passing through are very difficult, and I would ask you to have a little patience, and in as short a time as possible, a railway outlet will be provided for the Peace River and northern Alberta districts that will open up an era of prosperity for that country which will not be equalled by any other province in Canada."

In view of the Prime Minister's promise, in view of the needs for additional branch line settlement, some of the settlements being twenty, thirty and sixty miles from the railway, where there has been settlement for sixty years, and in view of the fact that branch line mileage cannot be constructed economically and properly unless we know where the Peace river outlet is going to be, and because I believe that such branch lines should be laid down as a part of the outlet, I am opposed to the adoption of this report and I therefore move the following amendment:

That the said report be not now concurred in but that the same be referred back to the select standing committee on railways, canals and telegraph lines with instructions that they have power to amend it by striking out the three following paragraphs:

"The weight of evidence before your committee indicates that, on economic grounds, much construction should not be commenced forthwith, as set forth in the resolution referred to your committee.

Your committee is of opinion that much greater traffic development is necessary in the area to make the building of such outlet economically sound.

Your committee is further of opinion that potentialities of that area are such as to warrant a continuous study of its development."

And substituting the following three paragraphs therefor:

"The evidence shows that there are four possible outlets but that a complete survey has been made of two only.

"Your committee is of the opinion that a complete survey should be undertaken of the Peace pass, Pine pass, and Monkman pass and that on completion of this survey a definite policy of railway development for the Peace river country should be decided upon.

"Your committee further believes that the potentialities of the Peace river district justify the commencement of a permanent outlet as soon as the best route is definitely ascertained."

Mr. DUNNING: I understood my hon. friend to make a change in the wording of his motion.

Mr. KENNEDY: Yes, after the words "Peace pass" I have inserted the words "Pine pass," so as to make it read "Peace pass, Pine pass and Monkman pass."

Mr. MACKENZIE KING: Just before the amendment is proceeded with I desire to ask His Honour the Speaker whether the motion is in order. No notice has been given.

Mr. SPEAKER: I intended to inform the mover of the motion that it was out of order because no notice has been given under rule 40, and if the motion is out of order the amendment is also out of order.

Mr. IRVINE: It can be taken as a notice of motion.

The SPEAKER: Very well, it will appear on the order paper as a notice of motion.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

VANCOUVER HARBOUR COMMISSION EMPLOYEES

Mr. COOTE:

1. Are the following parties in the employ of the Vancouver harbour commission: Charles O. Julian; Mr. McCall, Ex-M.L.A.; Maurice Quain; C. L. White; K. G. Burns; John McLeod; Reggie Webb; Norman Harvie?
2. When was each one appointed and what is salary in each case?
3. What duties does each one perform?
4. How many of these are new positions?

Hon. Mr. CARDIN:

1. All in the employ of the commissioners with the exception of Norman Harvie.
2. Name—Date of Appointment—Salary

C. O. Julian, October, 1922, $250 month; J. A. McColl, March 20, 1925, $225 month; M. Quain, August, 1923, $300 month; C. L. White, February, 1924, $400 month; K. J. Burns, September, 1924, $8,000 year; John McLeod, February, 1924, $225 month; R. A. Webb, November, 1923, $175 month.

3. C. O. Julian, Trade Representative; J. A. McColl, Trade Representative on Praries; M. Quain, Chief Electrician; C. L. White, Comptroller; K. J. Burns, General Superintendent; John McLeod, General Superintendent's Clerk; R. A. Webb, Cost Clerk.

4. C. O. Julian was appointed to present position February 5, 1926. The position occupied by J. A. McColl was created on March 17, 1925. The postion of chief electrician was created in July, 1923. C. L. White assumed the duties of comptroller in October, 1925. K. J. Burns succeeded R. E. Beattie as general superintendent in September, 1924. J. McLeod was made clerk to general superintendent January 1, 1925. R. A. Webb, position created on recommendation of auditors on October 1, 1926.

CALGARY POST OFFICE SITE

Mr. ADSHEAD:

1. Did the Dominion government purchase one or two lots to the east of the Calgary post office site?
2. If so, was the price $412,000?
3. To whom was the money paid?
4. How many buildings were on the lots?
5. Who was the vendor?
6. When was the deal made, where is the steel and other material that was salvaged, stored?

Hon. Mr. ELLIOTT:

1, 2 and 5.

Lot No. 4 purchased from C. A. Wallace for	$ 65,215
Lot No. 5. purchased from J. C. VanWart for	61,250
Lot No. 6 purchased from J. C. VanWart for	52,200
Lot No. 7. purchased from J. C. McNeil	100,000
Part of lot No. 8 purchased from J. A. McKenzie for	33,800
Total	$ 312,465

3. To vendors.
4. Five.
6. (a) Lots 4, 5 and 6 were purchased in April 1913, and lot 7 and part of lot 8 were purchased in June 1914; (b) There was no salvage from the buildings purchased as they were sold by public auction.

BONDED WAREHOUSES—NOVA SCOTIA

Mr. QUINN:

1. Has the Department of Customs and Excise received advice of the passing of an order in council by the government of Nova Scotia, advising that the government of Nova Scotia does not concur in the right of bonded warehouses in Nova Scotia to ship liquor duty paid?
2. If the Department of Customs and Excise has received such notification, what action has been taken in respect to same?
3. If no action has been taken, what does the Minister of Customs propose to do about the matter?

Hon. Mr. RINFRET:

1. No.
2. and 3. Answered by No. 1.

WEST POINT BREAKWATER—P.E.I.

Mr. MACDONALD (Kings):

1. Is the Department of Public Works proceeding with repairs to the West Point breakwater in Prince Edward Island?
2. Is this work being done by contract or otherwise?
3. Were tenders called in connection with it?

4. Give the names of tenderers, and amount of each tender, respectively?

5. If no contract is in force under what terms is the work being carried on?

Hon. Mr. ELLIOTT:

1. Yes.

2. By contract.

3. Yes.

4. Andrew Martin & Alfred Peters, $6,699; Henry J. Phillips, $6,826; John T. Stewart and Vernon Matthew, $7,778.

5. Answered by No. 2.

SOURIS BREAKWATER—P.E.I.

Mr. MACDONALD (Kings):

1. What is the condition of the breakwater at Souris, Prince Edward Island?

2. Was a contract let for repairs to this work in the year 1925? If so, to whom, and why was the work not proceeded with?

3. Is it the intention to revive at this session the vote of $36,500 placed in the estimates of the year 1925 for repairs on said breakwater?

Hon. Mr. ELLIOTT:

1. Face of outer block showing signs of weakness and gradual settlement has taken place in the stone slope along middle section.

2. (a)Yes (b) John E. Campbell (c) Owing to lateness of season and inability of contractor to secure stone, contract was cancelled.

3. Matter under consideration.

GERMAN REPARATIONS—INTERIM AND FINAL REPORTS

Mr. CANTLEY:

1. Is the so-called interim report of the reparations commissioner final in respect to the 1,497 awards mentioned therein?

2. Does the reparations commissioner agree with a statement made in the House of Commons that the so-called interim report was subject to revision in the final report on the 13 remaining claims?

3. Has the final report of the reparations commissioner on the 13 remaining claims been delivered to the Secretary of State or to his department?

4. Has the commissioner advised when the final or supplementary report will be ready?

5. Is the government aware of the fact that a great number of these claimants are in impoverished circumstances?

Hon. Mr. RINFRET:

1. Yes.

2. The statement made in the House on 24th February referred to an apportionment of the moneys on hand from the Dawes payments and not to any changes in the report.

3. Report has been delivered upon seven of the remaining 13 claims.

4. No.

[Mr. E. M. Macdonald.]

5. Correspondence on files of reparation commissioner and of Department Secretary of State discloses that some of the claimants are in impoverished circumstances.

ERNFOLD POSTMASTERSHIP

Mr. SPENCE (Parkdale):

1. Has any change been made in the postmastership at Ernfold, Saskatchewan?

2. If so, for what reasons?

3. Have any charges been laid against the said postmaster?

4. If so, of what nature and by whom?

5. Will the said postmaster be granted an investigation into any charge made against him?

Hon. Mr. VENIOT:

1. Yes.

2. Active political partisanship.

3. Yes.

4. Member for constituency stated that he had personal knowledge of the postmaster's political activities and also submitted declarations from S E.. Lowrie, W. P. Cornell and Jas. Manning of Ernfold preferring charges of active political partisanship.

5. Not the practice in cases in which a member is prepared to state that of his own knowledge an offence contravening the provisions of the Civil Service Act, respecting political partisanship, has been committed.

T. B. RICHARDS

Mr. MAYBEE:

1. Was T. B. Richards discharged as overseer of Murray canal?

2. If so, by whom was the charge laid against him?

3. Was there an investigation?

4. If not, why?

5. Is it the policy of the government to dismiss civil servants without investigation?

Hon. Mr. DUNNING:

1. Yes.

2. R. H. McCrudden.

3. Yes.

4. Answered by No. 3.

5. Investigation is customary unless charge is made by the sitting member of his own knowledge.

MONTMAGNY RETURNING OFFICER—TRANSPORTATION EXPENSES

Mr. LAFLAMME:

What transportation expenses (mileage) were paid to the returing officer for the county of Montmagny in the general elections of 1926?

Hon. Mr. RINFRET:

Mr. Telesphore Coulombe, the returning officer for the county of Montmagny in the general election of 1926, was paid $79.70 as transportation expenses.

CROWN LANDS SETTLERS—FINANCIAL ASSISTANCE

Mr. BIRD:

1. Is it the intention of the government to reintroduce the measure of last session dealing with financial assistance to settlers on crown lands?
2. If not, why?

Hon. Mr. FORKE:

1. This bill will not be introduced this session.

2. The bill as introduced last session might be of some benefit to settlers on crown lands. It is probable, however, that legislation will be introduced next session that will meet the situation in a more satisfactory manner.

CANADIAN NATIONAL RAILWAYS—CAPITAL EXPENDITURES 1927

Hon Mr. BENNETT:

What sum does the Canadian National Railways require during 1927 for, (a) construction of branch lines; (b) additions and improvement of railway; (c) equipment; (d) other capital expenditures?

Hon. Mr. DUNNING:

(a) On former branch lines (to complete), $1,660,000; on new branch line program, $7,356,000; the latter is to make possible 337.8 miles of grading, 94.3 miles of track and 56.3 miles of ballast.

(b) $17,834,418.32.

(c) Government loan (estimates of 1926-27 passed February 10, 1927), $5,000,000; equipment trust issue for fifteen millions will provide balance of requirement.

(d) No capital expenditures other than those enumerated.

RODNEY POSTMASTERSHIP

Mr. GOTT:

1. Has a vacancy recently occurred in the post office service at Rodney, Ontario?
2. Has an appointment to fill the vacancy been made? If so, is it temporary or permanent?
3. Who is the appointee?
4. What part does the Civil Service Commission play in rural post office appointments?
5. Will returned soldiers be shown any preference when filling the position permanently?

Hon. Mr. VENIOT:

1. Yes.

2. A temporary appointment has been authorized pending the Civil Service Commission's selection.

3. William Tolmie.

4. Civil Service Commission makes selection of permanent incumbents in cases where salary exceeds $200 a year.

5. Appointment will be made according to provisions of Civil Service Act.

CAMPBELLFORD POSTMASTERSHIP

Mr. MAYBEE:

1. Has the postmastership of Campbellford, Ontario, been advertised?
2. If so, when?
3. Has an appointment been made?
4. If so, what is the name of the appointee?
5. If not, what is the cause of delay?

Hon. Mr. VENIOT:

1. Yes.

2. From the 22nd to the 30th of September, 1926.

3, 4 and 5. No. Matter before Civil Service Commission.

ISAIE V. LÉGER

Mr. PRICE:

1. Was Isaie V. Léger dismissed from the postmastership of St. Grégoire, county of Kent, New Brunswick? If so, when?
2. In what year was he appointed?
3. What was the remuneration of his office?
4. Who recommended his dismissal?
5. On what charge?
6. Was an investigation held?
7. If not, why?

Hon. Mr. VENIOT:

1. Yes, 29th March, 1927.

2. January 1, 1905.

3. $60.

4. Member for constituency.

5. Active political partisanship.

6 and 7. Not the practice in cases in which a member is prepared to state that of his own knowledge an offence contravening the provisions of the Civil Service Act, respecting political partisanship, has been committed.

STEAMSHIP SERVICE—MULGRAVE-ARICHAT SUBSIDY

Mr. MACDONALD: (Richmond):

1. Has a subsidy been awarded for the steamship service between Mulgrave and Arichat, Nova Scotia?
2. If so, to whom has such subsidy been awarded?
3. What is the name of the steamer that is to perform such service?
4. Has the government any information regarding the qualifications of such steamer for such work?
5. What is amount of such subsidy?
6. Will government table report of Inspector Tupper re steamer Prince Albert?

Hon. Mr. MALCOLM:

1. Yes.

2. The Prince Albert S.S. Co. Ltd., Halifax, N.S.

3. Prince Alberta.

4. Yes. The Prince Albert is reported, with certain repairs and alterations, which the com-

pany has agreed to make, to be suitable for the service.

5. $13,000 per annum.

6. Yes.

GERMAN REPARATIONS

Hon. Mr. STEVENS:

1. Did Germany undertake in the treaty of Versailles (expressly set out in article 232 and annex 1 of part VIII of the treaty of Versailles) to make compensation for all damage done to the civilian population of the Allied and Associated Powers and to their property?

2. Was it the duty of the Reparations Commissioner to investigate and report upon all claims submitted to him for the purpose of determining which of the said claims were within the said annex 1, and the fair amount of such claims?

3. When was the first Reparations Commissioner appointed and who was he?

4. Did Germany undertake in the treaty of Berlin (United States and Germany) to make compensation for all damage done to the civilian population of the United States and to their property, and does Canada receive similar compensation under the treaty of Versailles?

5. Is not this undertaking expressly set out in article 232 and annex 1 of part VIII of the treaty of Berlin (Reparation), and also as relates to Canada in the treaty of Versailles?

6. Was it the duty of the Mixed Claims Commission at Washington to decide upon all claims submitted to it for the purpose of determining which of the said claims were within said annex 1, and the fair amount of such claims, in a similar manner to the Commissioner on Claims in Canada?

7. Is Germany carrying out the obligations assumed in article 232 and annex 1, of both treaties; namely the treaty of Versailles and the treaty of Berlin?

8. If so, is she carrying out such obligations by means of the Dawes payments, made under the so-called Dawes plan?

9. Are great Britain and the overseas dominions receiving their share of the Dawes payments?

10. Are the United States receiving their share of the Dawes payments?

11. Is Canada receiving her share of the Dawes payments?

12. If so, from what source?

13. What amount has Canada received under the Dawes plan to date?

14. What is the total amount which Canada is entitled to receive as her share of reparation payments under the Dawes plan during the next few years?

15. How much each year?

16. In addition to what has been received under the Dawes plan, is not Canada entitled to receive immediately from the British government a sum approximating $4,000,000 as her share of reparation payments in kind as announced in the British House of Commons a short time ago?

17. How soon will this amount be paid over?

18. When this amount is paid over, what will be the total amount on hand immediately available for reparation?

19. What is the intention of the government with regard to payment of the awards made by the Reparations Commissioner?

20. Is it the intention of the Secretary of State or any minister of the crown to reintroduce this session, the bill providing for payment of the commissioner's awards out of the Dawes money received and to be received and out of said amount which is to be received by Canada immediately as her share of reparation payments in kind?

21. Has there been an act passed recently in the United States providing for payment out of the Dawes money of all claims held to have been within the provisions of annex 1 of part VIII of the treaty of Berlin (reparation), and are such claims not exactly similar in character to those which the Canadian Reparations Commissioner has held to have been within the provisions of annex 1 to part VIII of the treaty of Versailles (reparation)?

22. Was there an act passed in Great Britain either during the war or shortly afterwards setting up a commission to adjudicate upon reparation claims and to provide a fund of £5,000,000 out of which to compensate claimants, and do any Canadians benefit from such funds?

23. Did the Canadian government make any claims before the Canadian Reparations Commissioner under categories 5, 6 and 7 of annex 1 of part VIII of the treaty of Versailles (reparation)?

24. Did the United States government make any claim before the Mixed Claims Commission at Washington under categories 5, 6 and 7 of annex 1 of part VIII of the treaty of Berlin (reparation), and did the government of Canada make any claim before the Canadian commission for reparation?

25. Was it stated by the Mixed Claims Commission at Washington, in their opinion, in the "Lusitania" cases of November 1st, 1923, that while under that portion of the treaty of Versailles which has by reference been incorporated in the treaty of Berlin, "Germany accepts" responsibility for all loss and damage to which the United States and its nationals have been subjected as a consequence of the war, nevertheless the United States frankly recognize the fact "that the resources of Germany are not adequate—to make complete reparation for all such loss and damage," but requires that Germany make "compensation" for specified damages suffered by American nationals, and does the government of Canada share this view?

Hon. Mr. RINFRET:

1. By article 231 of the treaty of Versailles the allied and associated governments affirmed, and Germany accepted, the responsibility of Germany and her allies for causing all the loss and damage to which the allied and associated governments and their nationals have been subjected as a consequence of the war.

By article 232 the allied and associated governments recognized that the resources of Germany are not adequate to make complete reparation for all such loss and damage. The allied and associated governments, however, required, and Germany undertook to make, compensation for all damage done to the civil population of the allied and associated powers and to their property during the period

of the belligerency of each as an allied and associated power against Germany by land, by sea and from the air, and in general all damage as defined in annex I of part VIII of the treaty. By article 233 of the treaty it was provided that the amount of the above damage for which compensation is to be made by Germany shall be determined by an inter-allied commission, to be called The Reparation commission and constituted in the form and with the persons set forth in the following articles and in annexes II to VII of Part VIII of the treaty.

The loss to the civil population was to be the measure of the amount of reparation to be paid by Germany to the Allied and Associated Powers.

Subsequently at the Spa conference this method of computation was set aside and the total amount payable by Germany for reparation was fixed at 132 milliards of gold marks.

2. (a) The commissioner was appointed to investigate and report upon claims of persons residing or carrying on business in Canada who have been subjected to loss and pecuniary damages arising through the destruction of life and property through the illegal warfare of the enemy and

(b) Claims for damages to which persons residing or carrying on business in Canada have been subjected for breaches of contracts, which contracts were prevented from being carried out owing to the operation of the Statutory List of persons in neutral countries with whom such contracts were declared illegal;

for the purpose of determining whether they are within the category set out in the first annex to section i of part VIII of the treaty, and the fair amount of such claims, and to make such findings as may be of assistance to the government in determining which, if any, of such claims should be paid, and the extent of payment thereof.

3. 31st October, 1921, the Honourable Sir John Douglas Hazen, K.C.M.G.

4. Section 1 of article 2 of the treaty of Berlin reserves to the United States the same rights to reparation as are set out in part VIII of the treaty of Versailles. The right of the Canadian government to reparation is set out in the answer to question 1.

5. There is no article number 232 in the treaty of Berlin, but article 232 of the treaty of Versailles provided as set out in the answer to question 1. The rights of the Canadian government are also set out in that answer.

6. Yes.

7. No, but payments are being made by Germany under the Dawes plan and London reparation agreement to the United Kingdom and Canada, and under the treaty of Berlin to the United States.

8. Answered by 7.

9. Subject to certain priorities Great Britain and the overseas dominions are receiving their shares of the Dawes payments as arranged at the Spa conference and the Imperial conference of 1921.

10. Yes.

11. Yes, subject to certain priorities.

12. Payments to Canada made through the treasury of the United Kingdom.

13. $4,009,517.24.

14. Canada is entitled to receive 4.35 per cent of the amount received by Great Britain, and Great Britain is entitled to 22 per cent of the amount payable under the Dawes plan and London reparation agreement. These proportions are subject to certain priorities.

15. Germany is required to pay under the Dawes plan and London convention the following annuities; (taking £1 to equal 20 gold marks): 1924-25 £50,000,000; 1925-26, £61,000,000; 1926-27, £60,000,000; 1927-28, £87-500,000; 1928-29, £125,000,000; and each year thereafter £125,000,000. The amounts may be increased by the operation of the "Prosperity Index," but this can only begin to operate after 1930. Canada is entitled to receive the proportion, as set out in answer to question 14, of the above amounts.

16. $3,789,430.

17. Payment of this amount is withheld by the British treasury pending settlement of certain other accounts between Canada and Great Britain.

18. $7,798,947.24 together with any instalments that may be paid in the meantime.

19. The policy of the government will be decided when the reparation commissioner has completed his report.

20. Answered by No. 19.

21. No act such as referred to has been passed by the United States. The claims considered by the United States Mixed Claims Commission are similar to those considered by the Canadian reparation commissioner.

22. No act passed, but an appropriation of £5,300,000, was made for distribution to claimants who had suffered loss and this distribution was carried out by the commission of which Lord Sumner was chairman. Claims of Canadians domiciled in the United Kingdom were considered by this commission.

23. No.

24. No.

25. The reference to the opinion of the Mixed Claims commission of the United States in the Lusitania case is correct. The

view held by the Canadian government is that claimants for losses above referred to have no claims against either Canada or Germany. If there is any claim it is in the right of Canada against Germany under the treaty, and this right is being enforced as set out in answer to questions 8 to 12. This view is also held by the government of the United Kingdom. The Canadian government has under consideration the making of gratuitous payments to claimants, and if it is so decided, parliament will be asked to make an appropriation for that purpose.

*CANADIAN NATIONAL RAILWAYS—EMERALD JUNCTION—STANLEY BRIDGE BRANCH LINE

Mr. MACDONALD (Kings):

No. 9.

1. Have petitions been received from residents of Cavendish, Hope River, and Stanley, in Prince Edward Island, asking for an extension of the Borden branch of the Canadian National Railways from Emerald Junction to Stanley Bridge?

2. What is the intention of the government in relation to the prayer of such petitions?

Hon. Mr. DUNNING: Mr. Speaker, the answer to No. 9, sub-question (1), is: No petitions have been received.

QUESTIONS PASSED AS ORDERS FOR RETURNS

OFFICIAL MOTOR CARS

Mr. SINCLAIR (North Wellington):

1. How many passenger motor cars have been purchased by the government since January 1, 1926?

2. For whom were they purchased and what is the make of car and price in each instance?

3. How many passenger motor cars are now in use by deputy ministers, by whom are they used, what is the make of car and price in each case?

4. How many passenger motor cars are on order at the present time, for whom, what make and what price?

5. Is it the intention of the government to make further purchases of passenger motor cars? If so, for whom, what make and at what price?

CIVIL SERVICE EMPLOYEES—OTTAWA

Mr. CANTLEY:

1. What is the total number of civil servants, officers and other employees in the service of the Canadian government domiciled in Ottawa?

2. What was the total yearly salary and wage paid during 1896 to such servants, officers, and employees?

UNOPPOSED MOTIONS FOR PAPERS

THOMAS J. MCMULLEN

Mr. HANSON:

For a copy of all letters, telegrams, documents, correspondence, memorandums, and evidence in the Post Office Department relating to the dismissal of Thomas J. McMullen as postmaster at Canterbury Station, including the evidence and finding of any hearing held as a result of such charges.

[Mr. Rinfret.]

NIPISSING—CIVIL SERVICE EMPLOYEES

Mr. LAPIERRE:

For a return showing the names of federal government employees who are holding positions in the constituency of Nipissing, the salaries paid and the date of their appointment.

COST OF LIVING BONUS

Mr. CHEVRIER:

For a copy of all correspondence during 1918 and 1919 between the Civil Service Commission and the Department of Public Printing and Stationary in regard to the cost of living bonus.

2. For a copy of all correspondence between the Civil Service Commission and the Department of Public Printing and Stationery in regard to the classification of employees during the years 1918 and 1919.

J. C. DAIGLE

Mr. PRICE:

For a copy of all correspondence exchanged between the Postmaster General, the Post Office Department, and others, with reference to the dismissal of J. C. Daigle, as postmaster of Grande Aldouane, county of Kent, New Brunswick.

ANTOINE CORMIER

Mr. PRICE:

For a copy of all correspondence exchanged between the Postmaster General, the Post Office Department, and others, with reference to the dismissal of Antoine Cormier as postmaster of St. Lazare, county of Kent, New Brunswick.

JOS. H. BOURQUE

Mr. PRICE:

For a copy of all correspondence exchanged between the Postmaster General, the Post Office Department, and others, with reference to the dismissal of Jos. H. Bourque as postmaster of Cocagne Cove, county of Kent, New Brunswick.

ISAIE-V. LÉGER

Mr. PRICE:

For a copy of all correspondence exchanged between the Postmaster General, the Post Office Department, and others, with reference to the dismissal of Isaie-V. Léger as postmaster of St. Grégoire, county of Kent, New Brunswick.

DAVID VAUTOUR

Mr. PRICE:

For a copy of all correspondence exchanged between the Postmaster General, the Post Office Department, and others, with reference to the dismissal of David Vautour as postmaster of St. Théodule, county of Kent, New Brunswick.

THADDÉE LEBLANC

Mr. PRICE:

For a copy of all correspondence exchanged between the Postmaster General, the Post Office Department, and others, with reference to the dismissal of Thaddée LeBlanc as postmaster of Petite Chockpish, county of Kent, New Brunswick.

MRS. LILLA M. STEEVES

Mr. PRICE:

For a copy of all correspondence exchanged between the Postmaster General, the Post Office Department, and others, with reference to the dismissal of Mrs. Lilla M. Steeves, as postmistress of Birch Siding, county of Kent, New Brunswick.

THÉOTIME D. LÉGER

Mr. PRICE:

For a copy of all correspondence exchanged between the Postmaster General, the Post Office Department, and others, with reference to the dismissal of Théotime D. Léger as postmaster of Renaud's Mills, county of Kent, New Brunswick.

NEWSPAPER REPORT OF DEBATE IN SENATE

On the Orders of the Day:

Mr. E. R. E. CHEVRIER (Ottawa): Mr. Speaker, I hold in my hand a copy of the morning Citizen of Monday April 11, and at page 17 I find certain statements made with refernce to the citizens of Ottawa, whom it has been my privilege with my colleague to represent in this House, because of the conditions—

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, I rise to a point of order. It is quite evident from what my hon. friend is saying that he proposes to make a reply to some statements made by someone regarding the citizens of Ottawa. I submit that at this stage of the proceedings the hon. gentleman has not the right to make any such reply.

Mr. CHEVRIER: Mr. Speaker, because of the place where these statements were made—

Mr. SPEAKER: Order. I gather from the remarks of the hon. gentleman that he is referring to a report published in one of the morning newspapers purporting to be an account of a debate which took place in the other House. He is out of order. No reference can be made to the debates of the Senate.

ITALIAN IMMIGRATION

On the Orders of the Day:

Mr. H. B. ADSHEAD (East Calgary): At the request of the Canadian Legion and the Trades and Labour Council of Calgary I wish to ask the government if any agreement has been entered into under which a large number of nationals from Italy have been recently brought into Canada. These two bodies are very apprehensive that the employment situation may be influenced because of this fact.

Hon. ROBERT FORKE (Minister of Immigration and Colonization): I am not aware of any arrangement having been made, with reference to the entrance into Canada of a large number of Italian nationals.

INQUIRIES FOR RETURNS

Hon. S. F. TOLMIE (Victoria, B.C.): On Saturday last, in the absence of the hon. member for Dufferin-Simcoe (Mr. Rowe), I was requested to ask the Minister of Agriculture (Mr. Motherwell) when the hon. member might expect certain returns with reference to the destruction of hogs belonging to a man named Oberle at some point in Ontario. The hon. member wished me to impress the minister with the fact that we are getting near the end of the session and that he would like to have these returns brought down as soon as possible.

Hon. W. R. MOTHERWELL (Minister of Agriculture): The file was completed this morning and will go to the office of the Secretary of State some time to-day, from whence I expect it will reach this House to-morrow.

Mr. J. A. FRASER (Cariboo): I would like to ask the Minister of National Defence (Mr. Ralston) when he will table a return passed by the House on March 30 in regard to the Chilcoten ordnance reserve lands in the Cariboo district of the province of British Columbia. I understand this is a short return and I am anxious to have it brought down before the end of the session.

Hon. J. L. RALSTON (Minister of National Defence): I assure the hon. member that the matter had escaped my attention, and I am very glad he has reminded me of it. I will see that it is tabled at once.

Mr. J. C. BRADY (Skeena): I would ask the Minister of Public Works when the return passed on March 30 with reference to the telegraph operator at Bella Coola will be available.

Hon. J. C. ELLIOTT (Minister of Public Works): The return is now in course of preparation, and I hope to be able to lay it on the table before the session is concluded. It must be remembered that a great many

returns of that kind have been passed, which entail a great deal of work. This is a comparatively recent request, but I hope to be able to lay it on the table soon.

Mr. J. A. MACDONALD (Richmond-West Cape Breton): I would like to ask the Minister of Trade and Commerce, with reference to question number 27, having to do with the report of Inspector Tupper, when that report will be tabled?

Hon. JAMES MALCOLM (Minister of Trade and Commerce): The report was tabled this morning.

Some hon. MEMBERS: Oh, oh.

Mr. MACDONALD (Richmond): Owing to the noise in the chamber I did not hear the answer of the minister.

Mr. MALCOLM: For the benefit of my hon. friend I will repeat that if he had been in the House he would have known that I tabled the report a few moments ago.

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, there are two matters to which I would like to draw the attention of this government, particularly as we have nearly reached the conclusion of the session. The first question is as to when we may expect an answer to question number 14, which to-day was made an order for return. This question was asked on April 6, and is not one which will require much time to answer. We would like to have that return tabled before the House prorogues, and I would ask the Secretary of State (Mr. Rinfret) to oblige us in this respect.

The other question is in regard to the supplementary estimates. This morning I spoke to the Minister of Finance (Mr. Robb) on that question, because I think the House should have these estimates at the earliest possible moment if there is any idea of proroguing in the near future.

Hon. J. A. ROBB (Minister of Finance): With regard to the supplementary estimates, I hope to be able to table those to-day.

CANADIAN NATIONAL RAILWAYS

MONCTON—BUCTOUCHE BRANCH

On the Orders of the Day:

Mr. A. E. BOURGEOIS (Kent, N.B.): I desire to ask the Minister of Railways whether he has received a recommendation from the board of directors of the Canadian National Railways in connection with the request of the citizens of Kent county, New Brunswick, supported by resolutions and petitions strongly urging the extension of the Moncton and Buctouche branch of the Canadian National Railway from Buctouche to Loggieville in the county of Northumberland? If that recommendation is favourable to the project, when will it be put into effect?

Hon. C. A. DUNNING (Minister of Railways and Canals): No recommendation has been yet received from the present board of directors of the Canadian National Railways in connection with the project mentioned by my hon. friend.

CUSTOMS INQUIRY COMMISSION

INTERIM REPORT

On the Orders of the Day:

Mr. PETER McGIBBON (Muskoka-Ontario): I would like to ask the Prime Minister if the House may expect an interim report of any kind from the Customs Inquiry Commission before the session is concluded?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I would prefer to have the Minister of Customs answer that question, but he is not in his seat at the moment. So far as I am aware it is hardly probable that an interim report will be presented.

LIVE STOCK AND LIVE STOCK PRODUCTS ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee on Bill No. 229, to amend The Live Stock and Live Stock Products Act, 1923

Motion agreed to and the House went into committee, Mr. Johnston in the chair.

Section 1 agreed to.

On section 2—Definitions.

Mr. MOTHERWELL: I desire to move a slight amendment to subsection (i) of this section. This question was discussed very fully in committee and since that time I have discussed it further with a number of members who desire the act to remain in this respect as it formerly was, and they are agreeable to the insertion of the two words "for export" after the word "meat."

Some hon. MEMBERS: No, no.

Mr. MOTHERWELL: Very well; we will discuss it further. The members of the committee who were anxious to leave it the way it now is, will probably desire to say something also. I have had some correspondence with one of the provincial premiers whose government has passed concurring legislation, and he thought it would not be fair to make this change until the provincial governments were consulted. It must be remembered, Mr.

Chairman, that the very life of this act depends upon the concurring legislation enacted by each province, and I assured them that no radical change would be made in this act without first consulting them. This is an extension of the application of the act to local trade, and I think the committee will agree that we are playing fair with the provinces, because the amendment will leave the act as it at present stands with regard to exports.

Mr. KENNEDY: As a matter of fact there is far more chance of exploiting the people of Canada with ungraded bacon than of exploiting the people in the Old Land, because our bacon going over there comes directly into competition with Danish bacon as well as meat from other countries, and must conform to a fairly high standard. This amendment will enable the packers to do as they please with the Canadian consumer.

Mr. MOTHERWELL: For the sake of argument I will agree with my hon. friend, but it is still more important to preserve intact the concurring legislation of the different provinces, for the time being.

Mr. FANSHER (Lambton): I am sorry the minister cannot see his way clear to allow this bill to go through as it came from the committee. The bill was approved by the committee exactly as it was brought in here, and these few words which prohibit the grading of meat products in Canada in reality take away the entire effect of the bill. We have passed acts for the grading of fruit, and for the grading of wheat, but when it comes to the live stock, to which the farmers feed their grain, there will be no grading at all if these two words "for export" are inserted in this bill. I think the time has arrived when the principle of grading live stock and live stock products should be established. Perhaps the time is not opportune for the enforcement of grading; perhaps that can only be brought about gradually. But a year will elapse before we shall have another opportunity of amending this bill if it goes into law, and I think, therefore, that we should now establish the principle of grading live stock both for export and for home consumption. I should be sorry to see a backward step taken in that regard; but I am afraid that if something is not done we are going to jeopardize the beef industry and seriously injure the bacon trade as well. I would urge the minister to allow this bill to go through as it came from the committee. Afterwards he can, by regulation, bring the act into force as he sees fit. In my opinion that would be the best course for him to pursue.

Mr. MOTHERWELL: I agree with most of what my hon. friend has said. I should like to see the bill worded that way too, but it must be remembered that we are coöperating in team play with the provinces on this question. One of the most important provinces of the Dominion has drawn attention to the fact that this bill goes further, and in a more radical direction, than it did before, and that there has been no conference on the subject either with that province, or any of the other two provinces that were represented at the recent conferences at Regina and Ottawa. We all know the difficulty that we had in the matter of the grading of eggs. The greatest difficulty has been overcome but perhaps it would not have been but for the teamplay in that case also. I feel satisfied that we should do everything we can to avoid the possibility of weakening the confidence of the provincial governments, all of which have passed concurrent legislation, or of breaking faith with them. If the proposed legislation went through and it affected the principle of grading for the retail trade any of the provinces could say: You have defaulted in your undertaking with us by taking this authority. That is the point I wish to have borne in mind. But for that I should be inclined to leave the wording as it is. But adherence to the assurance I have given is of far more importance to me than having the two words in question left in the bill. There must be teamplay with the provinces if we are going to do the best work possible.

Mr. COOTE: Was the same wording in the old act?

Mr. MOTHERWELL: Yes.

Mr. COOTE: I do not think the words "for export" were in the old act.

Mr. MOTHERWELL: They were not in the interpretation clause, but if my hon. friend passes on to clause (c) of section 9 on page 4 of the old Live Stock Act, he will see a reference there to live stock and meat intended for export. In order to make the matter clear, we are putting these words into the interpretation clause so that it will apply to all sections of the bill. In the last draft of the bill those words were inserted showing that was the intention.

Mr. COOTE: If the words are left in the present bill the grading of meat will not come into force in Canada until the department passes a regulation.

Mr. MOTHERWELL: Do you mean if the wording of the bill is left in the way it is?

Mr. COOTE: Yes.

Mr. MOTHERWELL: If the bill is left the way it is it will give authority to grade all meat for home consumption, a question that has never been discussed with the provinces. That is why they are objecting.

Mr. COOTE: Could that be done if the federal department issued regulations to enforce it?

Mr. MOTHERWELL: Surely.

Mr. COOTE: Then surely it will be all right to pass the bill as it is, and the department can wait until it gets the consent of the provinces.

Mr. MOTHERWELL: I know, but in a communication I got from the premier of one of the major provinces, while admitting that he pointed out that according to our agreement before this power was taken the provincial assent and approval should be obtained, and I think he is right. The regulation of any matter is a thing that fluctuates. You can put a thing in to-day and take it out to-morrow, and regulations may be passed without persons interested being notified. Sometimes we confer with the provinces if the matter in question is very important; at other times we do not confer so much. My correspondent in this particular matter, being a provincial minister, knows that the regulations might be adopted and put in force and he would know nothing about it.

Miss MACPHAIL: Would the minister mind telling us which province it is that objects?

Mr. MOTHERWELL: It was the last one that came in, Ontario. It is most important that we should keep in accord with Ontario because the act was challenged in that province and there were two decisions given by provincial supreme court judges.

Miss MACPHAIL: Is the present Minister of Agriculture in Ontario very sympathetic about the matter of grading?

Mr. MOTHERWELL: I think he is, but they are not all like Hon. Mr. Martin. He is sympathetic, he understands the matter, but just like any other minister of agriculture he has to have the support of his colleagues in any undertaking. I should not like to give the province of Ontario any excuse or justification for saying that I had defaulted in any arrangement I had entered into with Hon. Mr. Martin.

Mr. TOLMIE: With regard to this amendment, I want to say that all of us—particularly those who are away from home a good part of their time and have to depend on the tender mercies of people who provide provender for politicians throughout this country—have all experienced the fact that there is a great deal of tough beef placed on the table in Canada. After experiencing this for a number of years I have come to the conclusion that we are a strong-jawed, hardy race in this Dominion. Now while it is very desirable that we should have grading applied in this country at the earliest possible moment, both to meats that are being exported and also to meats for local consumption, let me say that we should first have a clean-cut plan. Before we attempt to put this legislation into effect, let us have something to offer. Those countries that have been carefully investigating the grading of meats, particularly the United States, have not yet got a definite plan that can be applied; and what they are doing at the present time is to carry on experimental work hoping that something may be evolved from their investigations that will be of practical value. I would urge for Canada that this amendment be passed so that before going farther we may have the benefit of the experience gained in the grading of meat for export. After grading these meats for export for a year, or a year and a half, or two years, we shall be in the possession of much more knowledge than we have at the present time, and with that as a basis, we can introduce such legislation as will have a practical effect in improving the quality of beef in this country. This is a most important matter because at the present moment the consumer is as a rule a very poor judge of the quality of meat. In the first place this legislation when brought into force will have the effect of offering to the man who is willing to pay a little higher price for quality, an opportunity to secure what he wants, and that price will be reflected back to the man who produces on the farm. The general trend of the whole legislation is first-class but we should not attempt to put such legislation through now without a clean-cut, definite plan which we can apply with reasonable assurance of success.

Mr. COOTE: If we can grade meat for export, why can we not apply the same grades to meat that is to be sold at home?

Mr. TOLMIE: We export about 15 per cent of our cattle and we consume about 85 per cent at home. Is it not much easier to try out our new plans on the smaller quantity of export meat than to try it on what is consumed at home? After a year or a year and

a half of experiment in this regard we can amend all those parts of our legislation that are not practical, and from our experience during that period we can evolve something that will be of real use in connection with handling the larger quantity.

Mr. FANSHER (Last Mountain): Following up the argument of my hon. friend (Mr. Tolmie), I would say that there is no mandate from this committee to the Minister of Agriculture to conduct an investigation should these words "for export" that are referred to be inserted after the word "meat" in paragraph (i) of section 2 of the proposed legislation. We would place those words there for no other reason than to stall off a thorough investigation, whereas if the bill is passed as it now reads, we should have ample opportunity to take one, two or even three years to investigate the matter thoroughly. This will be enforced by regulations and it is entirely in the hands of the department to issue those regulations when they see fit. In order that a thorough investigation may be conducted, I think this particular paragraph should remain as it is now printed.

The minister spoke of breaking faith with some of the provinces. I should like for a minute to review some of the work of the department. The department have very efficiently introduced in connection with nearly all live stock products a grading system whereby they are educating the producers to turn out a high quality product. After the quality product is put on the market, the producer has to accept the mean average price for his product although it is superior to the product of which the ex-minister (Mr. Tolmie) spoke. In keeping faith with the provinces, let us not lose sight of the fact that we should also keep faith with those who have gone to considerable expense in producing this high class product. I have correspondence, telegrams, from producers in western Canada urging the very thing for which this legislation calls, and I would impress upon the minister the necessity of seriously considering their request. No drastic change will be brought about if he takes plenty of time to investigate the matter before he issues regulations in order to carry this out immediately. I would strongly urge upon him to consider seriously the fact that the live stock men of this country are vitally interested in this matter. They have gone to great expense; they have studied the situation, and they are becoming discouraged in producing a high-class product. I am not speaking only for one section of the country; I have been in touch with many sections, and this is the impression I have gained. I have correspondence speaking very favourably of this particular clause as it now stands, and I would urge upon the minister, if he can see his way to do so, to let the clause go through as it is now printed.

The CHAIRMAN: I wish to get the amendment clearly before the House. It is moved by Mr. Heenan that the words "for export" be added after the word "meat" in paragraph (i) of section 2. Shall the amendment carry?

Mr. MOTHERWELL: I think the main feature, at least from my standpoint, has been lost sight of. The provinces have entrusted to the Dominion the making of certain regulations regarding farm products, the understanding being that before any radical changes are made, we shall consult with them as to what those changes will be. We consulted with them in regard to all the rest of this legislation, but we did not consult with them in regard to this particular phase. It did not catch my eye at the time this bill was being drafted or it would not have appeared without the words "for export." The future of this legislation depends upon our living up to our agreement with the provinces. I cannot make the matter any plainer. Since the bill was introduced I have received a letter from the Hon. Mr. Martin drawing my attention to the fact that this change was not considered when I was consulting him in regard to the matter. We have everything to gain and nothing to lose by playing fair. Before two years pass by this bill is bound to be up again, because a number of new phases agreed to by all parties will be introduced into it. Before this legislation comes up again I shall have an opportunity of consulting not only Mr. Martin and Mr. Caron but every other provincial minister of agriculture, and then we shall have an opportunity of making changes in accordance with the wishes of everybody. Without their consent this legislation is a dead letter and we do not want to give them any excuse for withdrawing their consent.

Mr. McMILLAN: Is the legislation not also ultra vires?

Mr. MOTHERWELL: Without the concurrence of the provinces it is. There are two decisions against the act.

Mr. McMILLAN: We share the opinion of our friends across the way that it would be well to have our products graded, but the matter is placed before us in a very reasonable way by the Minister of Agriculture when he says that, legislation on this subject having been held to be ultra vires, it is of first importance that we should have an agree-

ment and come to a common understanding with the departments of the several provinces. Otherwise, as the minister has said, this legislation will be of no avail.

Mr. GARDINER: I understood the minister to say that this question had not been discussed with the provinces. Is it the intention of the minister to take this matter up in the near future and to discuss it with the provinces?

Mr. MOTHERWELL: Yes.

Mr. KENNEDY: Will the whole matter be held up if one province objects?

Mr. MOTHERWELL: I would not say that. This whole bill is the result of two conferences differing considerably in their conclusions, but we have them pretty well harmonized and given visible form in this legislation. The fact that only one or two minor changes were made in the agricultural committee indicates that on the whole the bill is a good piece of legislation. Why then create a major difficulty by declining to meet Mr. Martin in this regard? Mr. Caron has not made any representations, but I gave him the same assurance.

Mr. KENNEDY: The minister will not be doing any more than taking power to do certain things.

Mr. MOTHERWELL: No, but they do not like that.

Mr. KENNEDY: As a matter of fact we know there has been a strong agitation in any event amongst Ontario producers of pigs for this very thing. I do not see why we ought to strike it out. It is where the packers score against the producers.

Mr. MOTHERWELL: Not at all. I would be in agreement with my hon. friend if it were not for the necessity of having concurrent legislation. My view is along the line of our own legislation during the last five years, and along the line of my own wishes, but we have these limitations.

Mr. KENNEDY: If this section stays in the act as it is, and the proper regulations are drawn up, none of the provinces will be hurt, and it will not be breaking faith with the men at all.

Mr. EVANS: This request of the minister this morning looks like another case of special privilege to a certain class.

Mr. MOTHERWELL: What special privilege does my hon. friend think I am espousing this morning?

[Mr. McMillan.]

Mr. EVANS: Well, we provide for the grading of practically all other products, and I do not see why this should not come into line. Some years ago when this matter was discussed in the committee of agriculture, the then member for South Oxford made a splendid argument for the inspection of all meats. It is a fact, I believe, to-day that at times our packers import a certain class of hog from the United States. I think we call them razorbacks for short, though they are more adapted for speed than bacon, as a rule. This meat is handled in such a way that it will not stand inspection, and I say to this House that the people of Canada do not know what they are getting on their breakfast table. I would like to see the House pass this measure. If it is found to work any injustice upon the packers, they can come back to the House in a year or two and have it corrected.

Mr. MOTHERWELL: But if in the meantime some of the provinces repeal their concurrent legislation because I have not lived up to my engagement, what will happen?

Mr. EVANS: Has this understanding all taken place since the bill went through the committee?

Mr. MOTHERWELL: Yes. My original intention was to let the bill go through the House the way it went through the committee, but I have since had communications from the Hon. Mr. Martin. I would be pleased to put them on record, but I have not his permission. However, I have shown the correspondence to a number of hon. members on the other side of the House, and I must say that his request seems to me very reasonable. It will not make any difference as to the results, but it will have a tremendous effect on the team play between the provincial and federal governments. I think this is the first time in the history of Canada that the nine provinces have passed practically the same concurrent legislation as the federal parliament. It is an experiment, and are we going to spoil it all at the very first opportunity by breaking faith with the provinces? There is something far bigger in those two little words "for export" than the question of whether we shall grade for export only or for home consumption as well, and that is the question, shall we be able to carry on along these lines in the future if we break faith now? Unless we accept this amendment I fear that the act is going to be dead, just like the Lemieux Act is dead practically, and a number of other similar acts.

Mr. TOLMIE: I would like to point out to the hon. member for Rosetown who has referred to this "speed" bacon, that in the exchange of meats between the United States and Canada we have a mutual arrangement whereby the meats coming in from the United States bear the brand of the Bureau of Animal Industry, and our meats going into United States bear our government brand, so there is no question at all as to the wholesomeness of these products.

Mr. NEILL: I would like to point out to my hon. friends who are opposing this amendment that the issue is not simply shall we have the inspection of meats intended for export or of all meats, but rather, shall we have an inspection of export meats or no inspection at all? That is the inevitable result of refusing this amendment. I am not interested in the grading of beef, but I am interested in the grading of eggs, and there was a decision given by Mr. Justice Grant last October, I believe, in connection with egg grading in Ontario that the whole of this act was ultra vires as it concerned domestic and inter-provincial matters, and not only the grading regulations but everything provided under the act fell flat. That had an immediate effect in British Columbia. I had an interview with the minister, and it was found that we could not bring into force the egg grading regulations of the Dominion unless the provinces passed concurrent legislation. The minister was able to get all the provinces to pass concurrent legislation, very much to my surprise. As he says, it is almost a new departure for all the provinces to pass concurrent legislation with the Dominion. If we pass the act without this amendment it will mean that one or more provinces will break loose and be no longer bound by this agreement, and then not simply this particular section goes, but the whole act goes by the board so far as domestic and inter-provincial trade is concerned. So it is not a question of whether we shall have beef grading in the provinces, but whether we shall or shall not have export grading, because this act does govern exports, but it will not produce the results hon. gentlemen want unless we have this amendment. Without it, the whole thing will be in peril. I have no doubt that the minister will submit this matter to the Ontario Agricultural department during the next few months, and probably he will get their consent.

Mr. COOTE: I think the hon. member for Comox-Alberni is rather mixing up eggs and beef.

Mr. NEILL: Don't ham and eggs go together?

Mr. COOTE: But eggs are not beef. I think there are good grounds for striking out beef altogether, because if the minister is going to grade beef for export and not beef for home consumption, you will find that the best beef will be exported and the tough beef will be left at home for Canadians to eat. No packer would ask to have his product graded for export if he thought it would be graded No. 3, and he will take care that what he ships for export will be of No. 1 grade. But I am not going to oppose the minister's amendment any further, because I see that he has certain grounds for asking for it. I think, however, he could facilitate the acceptance of the amendment if he would pledge himself within the present year to ask the different provincial departments of agriculture to agree to such legislation being passed.

Mr. MOTHERWELL: Surely. I will do my best.

Mr. COOTE: If he will agree to that and give us their answers next year, so far as I am concerned I am perfectly willing to allow the amendment to pass. I think, however, the House is agreed that if it is desirable to have meat graded for export, meat for home consumption should also be graded.

Mr. FANSHER (Lambton): I understand from what the minister says that there was a conference held in western Canada between the representatives of the producers' associations and the departments of agriculture in the western provinces. I know that a similar conference was held in eastern Canada, and that the representatives of the producers in eastern Canada are in favour of this bill being passed as it is now before the House. I have no doubt this bill was drafted after these two conferences had taken place at which everything was threshed out, and it seems to me rather strange that we should first of all have the bill provide for the grading of all meat products, which was approved by the committee, and then suggest this amendment when the only persons to object probably were the representatives of the packers and the live stock exchanges. I am thoroughly convinced that the representatives of the producers want this bill to pass in its present form. It may be a few packers or representatives of the stock exchange do not think it is in their best interests to have it pass. I think a good deal of the opposition is coming from that quarter—from interests which are against the producers of live stock in this country. We have to consider both. I think that the principle should be established in this bill that all meat should be graded and regulations brought in as conditions warranted in the years

to come. It has been pointed out that the provinces must pass concurring legislation before this bill will become effective. We must have something to work to in the future if we are going to improve our live stock, and unless we establish the principle of grading and showing the producer where he can obtain more for a first-class beast when he produces it we are not going to improve the live stock industry of the country as we should. It is a question of dollars and cents. If a man can feel that it pays to produce good stock he will produce it. We may talk about grading and publish pamphlets and do all we like to try and convince the producer that it is a good thing to produce a first-class article, but unless he can receive some compensation for his efforts when he sells his animal, the argument is largely in vain. We have to tackle this question at some time; we should establish the principle now and work out the regulations in the years to come as they can be worked out in conjunction with the various provinces.

Section agreed to.

Section 3 agreed to.

On section 4—Provisions to be included in by-laws.

The CHAIRMAN: There is an amendment to subsection (7) of section 4, to add, in the fortieth line, the word "only" after the word "minister", and also a new subsection, as subsection (8):

> Complaints the investigation of which necessitates an examination of books and records shall be made in writing to the minister and shall be supported by such evidence as may be available.

Mr. MOTHERWELL: That merely indicates the method of making a complaint.

Section agreed to.

Section 5 agreed to.

On section 6—Regulations.

Mr. GARDINER: I understand they have a practice on the stock exchange, when they start to bid in the morning, that the different commission men toss up a coin to see which buyer they will take first.

Mr. MOTHERWELL: I heard about that. I think that is a little regulation of their own. It is not in the by-laws.

Mr. GARDINER: Is it not a fact that to all intents and purposes it is just as effective as if it were in the regulations?

Mr. MOTHERWELL: Yes, I think so. When they come to draft the new regulations I intend to make very extensive inquiries into that practice. Mr. Rice-Jones indicated in one of his interviews that it was the practice. Does the hon. member think there should be a regulation against that.

Mr. GARDINER: Yes.

Mr. MOTHERWELL: I am disposed to agree with the hon. gentleman.

Section agreed to.

Preamble and title agreed to.

Bill reported, read the third time and passed.

TRADE MARK AND DESIGN ACT AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

Hon. PETER HEENAN (Minister of Labour) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 171, to amend the Trade Mark and Design Act.

Mr. GARDINER: What is the nature of the amendments?

Mr. HEENAN: The amendments are quite acceptable. They are simply to make clear the designation of "union label." Where the word "label" appears this amendment places the word "union" before it, and provides fees to be charged for the registration of the union label, the same as in the case of a trade mark. Another provision is that the use of the union label shall be granted to any applicant.

Motion agreed to, amendments read the second time and concurred in.

PRIVATE BILLS

FIRST AND SECOND READINGS

Bill No. 323 (from the Senate), for the relief of John Falko.

Bill No. 324 (from the Senate), for the relief of Mary Edna Thompson.

Bill No. 325 (from the Senate), for the relief of Charles Edward Thompson.

Bill No. 326 (from the Senate), for the relief of Halsey Vanderleith Welles.

Bill No. 327 (from the Senate), for the relief of Henry Raymond Mugridge.

Bill No. 328 (from the Senate), for the relief of Laura Gertrude Sutherland.

Bill No. 329 (from the Senate), for the relief of Edith May McColl.

Bill No. 330 (from the Senate), for the relief of Katherine Alison Pomphrey Weldon.

Bill No. 331 (from the Senate), for the relief of Marion Scott.

Bill No. 332 (from the Senate), for the relief of Lillian Maud Oram.

Bill No. 333 (from the Senate), for the relief of Arthur James Carey.

Bill No. 334 (from the Senate), for the relief of James Robert Kendrick.

Bill No. 335 (from the Senate), for the relief of Richard Thomas Keeth Stinchcombe.

SUPPLY—OIL AND GAS RIGHTS IN WESTERN CANADA

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee of supply.

Mr. G. G. COOTE (Macleod): I desire to take this opportunity of bringing to the attention of the government, and particularly the Minister of the Interior (Mr. Stewart) a grievance which a large number of residents of western Canada have at the present time in connection with the oil and gas rights underlying land which many of the men have homesteaded. I wish to quote very briefly from an editorial of the Western Oil Examiner of recent date in regard to this question because it puts the case concisely:

> So near and yet so far. This describes the position of the farmer in the west, on whose land an oil well is being drilled unless he is lucky enough to own perpetual mineral rights.
>
> Since the latter part of the year 1889 the federal government has been leasing petroleum and natural gas rights instead of allowing these to remain with the ownership of the land.
>
> The prairie farmer may wake up one morning to find that the previous day there has been a filing stampede at a distant land office that has forever taken away from him the oil rights on his land and that some oil enthusiast for fifty cents an acre has acquired a lease that in many cases is worth more than the land itself. Pioneers go into remote districts and develop the country sufficiently to bring railways, making it possible for the geologist and wildcatter to follow.
>
> * * * * * * *
>
> In the prairie provinces the Hudson's Bay company and the Canadian Pacific Railway are the owners of immense acreage of land which carries with it perpetual oil rights. The former under the Dominion Lands Act, 1872, secured 1¾ sections in every township and two whole sections in every fifth township in what is now the prairie provinces. The Canadian Pacific railway in 1881 was granted thousands of square miles of land, the mineral rights going with the surface rights.
>
> From 1872 to 1883 it was possible to file a homestead on land that ostensibly contained minerals but in the latter year it was enacted that land containing minerals should not be homesteaded. However, this did not affect land on which minerals existed but were not discovered until later.
>
> As a result of an order in council passed on September 17, 1889, all patents from the crown for lands in Manitoba and the Northwest Territories reserved to the crown all mines and minerals and a reservation clause to this effect appears on the majority of the titles. In 1908 parliament provided expressly by section 8 of the amended Dominion Lands Act, that no entry for homestead should convey any right to mines and minerals.
>
> To summarize briefly, the Hudson's Bay Company and the railway companies were granted land with no reservation and on selling their land usually kept the mines and minerals which were disposed of to other parties. Up to 1883 no homestead could be made on land which contained minerals.
>
> From 1889 to 1908 mines and minerals were reserved by the authority of an order in council. Since 1908 they have been reserved by statute.
>
> The 1889 order in council mentioned above made provision for working Dominion leases by providing that where the title to the mines and minerals was in one person and the surface rights vested in another that the owner of the minerals had the right to work the same, but first he must compensate the owner of the surface rights. If they could reach no agreement then the order provides for arbitration.
>
> The section of the regulations dealing with arbitration—I think it is section 8—provides that if the lessee of the oil rights cannot make satisfactory arrangements with the holder of the surface rights for entry upon the location, he must apply to the minister for permission to submit the matter in dispute to arbitration.
>
> Upon receiving such permission in writing, it shall be lawful for the lessee to give notice to the owner, or his agent, or the occupant, to appoint an arbitrator within a period of sixty days from the date of such notice, to act with another arbitrator named by the lessee, in order to determine what portion of the surface rights the lessee may reasonably acquire:—
>
> And—
>
> —the amount of compensation to which the owner or occupant shall be entitled.
>
> I have under my hand a letter from a gentleman who has had practical experience under these regulations. He says:
>
> I am writing you in regard to speculators having oil lease on my farm.
>
> They leased oil rights on one hundred acres from the government for fifty cents per acre and sold it to an oil company for $75,000, and reserved ten per cent royalty. Now they want to buy two acres from me for $100 cash and 100 shares to be held in escrow. I refused their offer and asked them $1,000 and 2½ per cent royalty. They claim they don't have to give me any royalty and that the government upholds them in it.
>
> . . . . . .
>
> We should be entitled to a royalty and then if they got a good well, which we all expect, we could afford to move out and let them have it. You are familiar with this field and its peculiar odour, and know that if the company got a well close to my house I would have to move out. And where could I go with a hundred dollars? All I want is fair play, and the government should see I get it.
>
> I may say the natural gas in that field has a very disagreeable sulphurous smell. As

a matter of fact, the odour is quite noticeable five or ten miles away from this particular district.

Mr. ADSHEAD: More than that.

Mr. COOTE: Well, I expect sometimes it reaches as far as Calgary. But undoubtedly it is a very disagreeable odour. I think the people who own lands in that vicinity should have some consideration given them when these oil speculators wish to secure surface rights. May I quote from another letter from the same gentleman giving the results of an arbitration which took place in regard to this particular company?

He says:

The oil company appointed an arbitrator, and the Dominion land agent in Calgary appointed a man. They arbitrated on my land and fixed the price at $25 per acre for two acres.

This gentleman says that is all he was offered as compensation for the surface rights which the oil company wanted. The lessees of the oil rights had assigned them to an oil company for $75,000 in cash and 10 per cent royalty on any oil which might be discovered; but the owner of the surface rights where the company wished to drill this well was awarded by the arbitration board the handsome sum of $50. He continues:

My idea of what the government could and should do is to give the surface owners five per cent royalty at least, and the government still handle the leases. Then I don't think there ever would be any cause for arbitration.

The Canadian Pacific Railway, the Hudson's Bay Company and the Indians all own their surface rights, and oil rights and everything else, but the poor white man that pays the taxes and builds up the country gets nothing.

It wouldn't harm anyone to give the surface owner a small royalty. We all realize at this time the confusion it would cause to give the owners the lease—

That is, the lease of the oil rights.

—as there has been so much of it sold and resold. But it is not fair to let speculators buy it for fifty cents an acre and when they resell it to a drilling company they reserve an eighth or a tenth royalty. Nine times out of ten it is an American concern, and all the money will in time go out of the country, whereas if we were getting some of it it would stay here.

Another thing that is not fair is allowing a company to hold so much lease by letting the money they spend on drilling apply on rentals. That doesn't bring the government any money. It just favours the big companies by spending $500,000 or more drilling wells to blanket all the oil land they will ever want in a hundred years, and retards development.

He mentions the oil rights which the Indians have. May I point out that there is considerable oil development now going on on the Stony Indian reserve, which is a few miles north of where this gentleman lives. I am advised by the Indian department:

That when considering this question of issuing leases it was decided with the approval of the honourable the superintendent general that our regulations should be as closely as possible uniform with the regulations of the Department of the Interior. This policy was considered necessary in view of the fact that any oil or gas development on Indian reserves would undoubtedly affect development on adjacent Dominion lands.

I am advised by the Indian department that on an oil lease granted on an Indian reserve the company must pay to the Indian department a royalty of 10 per cent on all gas or oil produced. If this does not retard the development of these resources on Indian reserves—and we know as a matter of fact that it does not—I do not think it should be held that the granting of a royalty of 5 per cent to the holders of surface rights of other lands would retard development in those other areas. I do not think it would interfere in any way with the revenue derived by the Dominion government from these oil rights, and believe it only right and just that a small royalty should now be granted to the holders of surface rights in the prairie provinces. According to information which I have received from the Department of the Interior, the Hudson's Bay Company hold in Alberta 2,399,000, acres of land in which they possess the mineral rights as well as the surface rights, while the Canadian Pacific Railway Company and its subsidiary companies own mineral rights in a total of 13,035,548 acres in Alberta. If these two great corporations should be given the mineral rights in their lands, with the exception of gold and silver, would it not be a good thing for this House to say that the holders of surface rights, where the mineral rights have been held by the crown, should be allowed a small royalty of say 5 per cent to compensate them for the damage done to their lands when their surface rights are expropriated by the holders of leases covering the mineral rights? I do hope the government and the Minister of the Interior (Mr. Stewart) will promise to give this matter their very careful consideration, their very serious consideration and, finally, their favourable consideration.

There can be no doubt that the surface rights of a great many of the holders have been depreciated by bringing in some of the wells, and these men are getting practically no compensation at all. I do not think that is fair. These people have said to me, "We think the government should treat us as well as they treat the Indians," but as a matter of fact they are not asking for quite the same treatment. I believe they would all be quite

willing to accept a royalty of 5 per cent as sufficient compensation with the exception of any possible damage which may be done to the buildings or crops on their farms.

I do not want to delay the House and I am not going to take up any further time, but I do respectfully request the Minister of the Interior to give this matter his earnest consideration, and I again express the hope that within this year the government will consent to change the regulations so that these people who now own the surface rights may be granted, as part of the compensation which they should receive, a royalty of say 5 per cent on any oil or gas which may be discovered on their lands.

Hon. CHARLES STEWART (Minister of the Interior): I will be glad to answer the statement of my hon. friend when my estimates are up for discussion.

Motion agreed to and the House went into committee of supply, Mr. Bouchard in the chair.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

SUPPLY

DEPARTMENT OF NATIONAL DEFENCE

National Defence—cadet services, $500,000.

The CHAIRMAN (Mr. Johnston): The item we are considering is: Cadet services, $500,000. When the committee rose at six o'clock on Saturday evening an amendment had been moved by Miss Macphail to reduce this item by $499,999.

Mr. ADSHEAD: In rising to speak to the question, in order to avoid making a number of short speeches, I propose to discuss briefly not only this item but the estimates for national defence in general. Before doing so I wish to join with the hon. member for Winnipeg North Centre (Mr. Woodsworth) in congratulating the House upon having obtained the services of the hon. gentleman who administers the Department of National Defence (Mr. Ralston). I am sure that the minister's genial and affable manners, and the clear and lucid way in which he speaks have earned for him the admiration and respect of hon. members in all corners of the chamber. And then, in connection with our opponents, may I say that after all it appears to me we are both working for the same end. They think that peace will be attained and maintained by the methods which they propose, while we here, who are just as sincere in our desire for peace, think it will be best secured by other means than those which they advocate.

Now in regard to the cadet movement, I think, perhaps that the most objectionable feature is the fact that it is supervised by a military officer in the schools; and after all the objections that have been stated by the hon. member for Southeast Grey (Miss Macphail), and the leader of the Labour party in this House (Mr. Woodsworth), I think it is only fair that we should look at the question from all angles. The responsibility for the cadet movement does not rest with the Dominion government, nor does all the opposition to the cadet movement come from a few cranks, shall I say, in the House of Commons. There is no doubt that there is a concerted movement among the churches, and among other bodies, protesting very loudly, very sincerely and very emphatically against the cadet movement in this country.

Mr. GOTT: Cite a number of those that are protesting.

Mr. ADSHEAD: I could cite several, for instance the United Church of Canada in the province of Alberta has gone on record as protesting against such things. I need not name all the particular organizations which have done the same. I simply mention the fact to show that the movement is not confined to a few labour cranks in this corner of the House.

Mr. ARTHURS: The hon. member spoke of "churches". What other church has protested?

Mr. ADSHEAD: I said I did not wish to give a list of all the people that are protesting. I will simply add that I have received a number of letters along that line and leave the question there. At the same time it is only fair to say that the whole responsibility for this movement does not rest upon the Dominion government. It is optional—and it is only fair to put it that way—with the provincial governments to take what stand they please in the matter; and I am rather sorry to say—I wish to be absolutely fair—that I believe the Farmers government of Alberta have failed to make a protest against the cadet movement in connection with the schools of that province. The cadet movement is not a compulsory matter. If any school desires to adopt the cadet movement it is open to it to do so, if a school does not wish to take it up its wish will be respected. Therefore wherever the cadet movement ob-

tains, responsibility must be shared by the province, the schools and the homes; it should not be fastened solely upon the members of the Dominion government or the members of this House. There appears to be a feeling that the opposition to the cadet movement is inspired by antagonism to the returned men. I want to say that there is no such attitude in my own mind. There is an old saying that "It is an ill bird that would foul its own nest"; and in view of my own experience in 1914, when I and a number of others marched down the streets seeing our own sons off to the war, it would ill become me to cast any reflection whatsoever upon the men who have returned from the war. As for the returned men, I believe the last thing they want in their inner hearts is another war such as the one that was brought to a conclusion in 1918.

In the discussion the other day an hon. gentleman to my right presented a simile to the hon. member for Winnipeg North Centre. He said to him "Would you not insure your house against fire"? and of course the answer came "yes". "Well," the hon. member in question said, "the military and naval organizations are an insurance against a conflagration of the kind of which you are speaking." I take issue with that position right now, and I wish to carry out the simile to what I believe to be its logical conclusion. Let us take it for granted that we are trying to insure ourselves, as well as our sons and our grandsons, against such a conflagration as occurred in 1914. Now when a fire occurs we do not damn the firemen but we curse the fire. We do not seek to cast any reflection against the fire brigade, but we try to remove all combustible materials lying around that would permit that fire to spread. So in this case we do not damn or condemn the soldiers, but we do most heartily damn and condemn war. Our object should be to use preventive measures in order to prevent the occurrence of these things in the future.

One of the first things a fire insurance company does is to come around the house and see if there is anything that might cause a fire and, if so, it asks that it be removed. If in a city there was a large fire and if some time after the fire you saw combustible materials lying around from which there was danger of another fire, you would not simply go to the city council and say: Let us increase the fire brigade; let us increase the number of fire engines. They would say: That is foolish; let us remove those combustible materials. That will be the proper procedure in that regard.

[Mr. Adshead.]

Let me carry this question a little further. If you had a fire so serious that it had devoured half your buildings and half your fire brigade, and if experts came to you some years afterwards and pointed out that the aggregation of combustible material was becoming so dangerous that, if another fire broke out, not only would all the buildings be destroyed, but the whole fire brigade and the whole city would go up in smoke, what would be your answer? What would be your earnest endeavour, the earnest endeavour of any serious-minded, sensible man? Would you go once more to the city council and say: Gentlemen, let us increase the fire brigade; let us increase the number of fire engines? No, the fire insurance companies would insist that you bend your efforts to removing the combustible material that might cause another fire. Their answer would be this: The next fire will be so far beyond you that no fire brigade, no fire engines, will ever be able to extinguish it and the city and the city brigade will all go up in smoke. Therefore, applying that as a principle, we should bend our utmost efforts to remove from Canada and in fact the world at large those combustible things that might cause such another war conflagration in which not only the fire brigades, that is the armies, but our citizens and civilization itself would be swallowed up.

I want to read just a few extracts so as to turn the attention of the committee to what I consider is the most serious thing in regard to war. I am not speaking of my own authority; I have in my hand a message from no less a gentleman than Sir Oliver Lodge, who, in speaking about these combustible materials in Europe and indeed the world at large, made this statement. He appealed to "world statesmen to curb the international tendency to produce instruments of destruction." He said that "aerial locomotion presents possibilities of overwhelming entire cities in vast destruction," and it threatens a return to the old days when populations, women, children and all that there is will be entirely wiped out.

The Montreal Herald, in connection with this matter, states that in the next war, about which some people talk so glibly, if it ever should come on this continent, "Montreal or New York wonld be a hell on earth before the newspapers could come out with the text of the declaration of war."

The London Observer comes out with a similar statement. It says:

The object would be to reduce permanently the population and resources of any conquered country and to prevent it by force from ever

being a danger again. Next time there could be no faith in peace or humanity. Were it once proved that the peace movement after the great war of 1914-18 had failed in spite of the league, there could be no rational belief whatever that any new peace movement could succeed. Yet armies, navies, air-fleets are being organized all over the world on the assumption that such a "war of the future" as we have just described is a possibility of the world in which we live.

We have the position of France in the matter. France has entered into a mutual engagement with the United States, not to make it necessary to increase cadet forces and military accoutrements, but to outlaw war.

Mr. ARTHURS: Is France not rather increasing her navy and army rather than decreasing them?

Mr. ADSHEAD: I believe she is increasing her air force, but that does not alter the fact that as a nation she has entered into an agreement with the United States to outlaw war, and that is more than we have done.

Sweden and Belgium have entered into a solemn obligation never again to go to war, no matter what may happen, but always to resort to arbitration. They have seen the results of war and they realize what the increasing of armaments and military institutions will bring to them. The Citizen of February 7th of this year makes this statement:

> If chemical agencies furnish such means, they will be used. When the Germans used gas in 1915, the world recoiled in horror and alarm. But did the Germans stop? Not only did they not stop, but their opponents bettered their instruction—and invented deadlier vapours, more revolting gases.
>
> The remedy is not to prohibit any one form of warfare, even assuming such prohibition could be enforced. It is—and apologies are hereby tendered for suggesting it once more—to abolish war itself.

I have one more extract to read and it comes from our former enemies. The Germans, seeing the destructive force of war and what it has done, have taken a line of action that I wish we would take. This extract states:

> A chair of pacifism has been established at Kiel university. Doctor Walter Schuecking, member of the Reichstag, has been assigned to Kiel by the Prussian Ministry of Education as professor of international law and of the history of international pacifism.

Thus we have our old enemies the Germans seeing that peace is absolutely necessary for the world, and they have set us the example that we should bend our energies more toward the attainment of peace.

So far as Canada is concerned, so far as I am concerned, not for myself but for my children and grandchildren, for the children of my neighbours and their children's children, what are we doing in the direction of peace? The estimates show that we are appropriating about $13,000,000 for this year for military armaments and services, for the fire brigade, if you like. I will leave that question in abeyance. What are we doing for the prevention of another war conflagration? I have looked all through the estimates and on page 61 I find the only mention of peace:

> Grant to the Inter-parliamentary Union for Peace, $200.

There is the magnificent sum of $200 for peace. My protest to-day is perhaps not so much against the items that we have in the estimate of the Department of National Defence although part of my protest is against that. I say that we ought to wake up to the danger and not live in a fool's paradise; that we should do what any sensible fire insurance company would do, what any sensible man would do if the whole city was surrounded by combustible material. We should bend our best efforts to endeavouring to prevent such a conflagration rather than to cure it after it has taken place. It is said that an ounce of prevention is better than a pound of cure." The whole tendency in medical science is to prevent sickness rather than to cure it. In forest conservation the idea is to prevent fires rather than to put them out after they have started. So I would plead with the House to make for the maintenance of peace at least half the appropriation that we are making for protection against war.

Mr. EDWARDS (Frontenac): I would like to make a few remarks in regard to this question that is now occupying the attention of the House. We may take it for granted that, no matter what views any hon. member may express in this House, those views are the ones that prevail in the constituency which that hon. member represents, and therefore the views expressed by the hon. member for South-east Grey (Miss Macphail) may be taken as expressing the sentiments of the majority of the people in that constituency. Similarly the views expressed by the hon. member for Winnipeg North Centre, whether we agree with them or not, and I am sure that most of us do not, may be taken as expressing the sentiments of that particular part of Canada, and the same may be said in regard to the views which have been expressed by the hon. gentleman who has just taken his seat (Mr. Adshead). We can in this way learn something of the viewpoint of Canada as a whole, and we can by giving due consideration to these views guard against the dangers which

these members indicate as existing in certain parts of the country which they represent. As Kipling puts it, I think we might say:

> And the things that you learn
> From the yaller and brown
> 'll 'elp you a lot with the white.

So the things we learn from the distorted, warped and twisted views and attitude of hon. gentlemen like the hon. member for Winnipeg North Centre (Mr. Woodsworth) may help us somewhat in dealing with more reasonable people in other parts of the country.

I have no quarrel with the hon. member for Winnipeg North Centre in the eulogistic tribute he paid to the hon. member for Southeast Grey. It is perfectly within his right to say that the hon. member for Southeast Grey represents the women of Canada. That, I daresay, is his view, but I would not be dealing squarely, it seems to me, with the women of the part of the country I represent if I allowed that statement to go unchallenged. While willing to concede that the hon. member for Southeast Grey in the views to which she has seen fit to give expression may represent a considerable body of women in Southeast Grey, I unhesitatingly declare that the opinions which she voices and the attitude which she has taken at various times do not represent the sentiments and opinions and aspirations of even a small fraction of the women of the Dominion of Canada. In other words, in one sense the hon. member for Southeast Grey does represent the people of Canada in that she is the only woman having a seat in this House, but I repeat, in my opinion, that is the only respect in which she does represent the women of Canada. The hon. member for Southeast Grey in her remarks the other day used these words:

> I do object to imposing upon boys our own ideas instead of letting them think for themselves.

And further:

> Education is being used as a political institution to form habits of thought in such a way as to make one set of opinions inevitable.

And in her opinion that was disastrous to the minds of the boys of this country. When I read that expression of the hon. member in Hansard to-day, I wondered just when the hon. member had come to that conclusion, that she objected to imposing on boys our own ideas instead of letting them think for themselves. I wonder if the hon. member for Southeast Grey was letting the boys and girls in the schools in the constituency she represents think for themselves when she was loading up their youthful minds with the kind of stuff—I say that not in any offensive way, but simply because I cannot find any other word which expresses it better—which is contained in the letter which she sent to the school children in Southeast Grey. I hope the hon. member in her generosity did not go beyond the boundaries of her own constituency with that letter, because its contents are certainly contrary to the facts of history. It is a letter which is very generous in its regard for Russia and China, but, I repeat, it is perverting British history and is loading the minds of the school children who read it or have had it read to them with a lot of poisonous stuff that does not make for good citizenship in this country and is not in the interests of the children who hear it. In that letter the hon. member says:

> Russia, seeing that a rebellion was coming in China, wisely gave up all her rights within that country, and the Chinese are very grateful.

There is a fine impression to be conveyed to the minds of school children, to give them a good opinion of Russia in that regard, and then in the next sentence the hon. member says in her letter:

> There is little doubt that Russia is urging the Chinese to rebellion.

While Russia is largely at fault for the bloodshed and the war which is going on in China at the present time, the hon. member for Southeast Grey, I repeat, in her message to the school children, was very kind in the impression she wanted to convey to their minds of Russia and her activities in China, but was very harsh in perverting British history and loading up the minds of the children with poisonous untruths or misstatements of facts as to British history and the part Britain has played in international affairs.

The hon. member for Southeast Grey is very strongly opposed to cadet training. That is evidently the view held by the hon. member for Winnipeg North Centre, and by the hon. member who has just taken his seat. I do not hold that view myself. I believe that cadet training in this country is one of the best and one of the finest things that has ever been inaugurated in the Dominion of Canada. I believe it is a good thing for the boys to come under a certain amount of discipline and be taught to play the game and coöperate with others. To say that a boy who is taught to march and countermarch and go through some of the simpler elements of drill in the schoolyard is having his mind filled with a desire to slaughter and that it makes him want to kill people is the most utter nonsense that ever was uttered

by anybody in the world. To say that to teach a boy to shoot straight is to fill his mind with the idea of killing his fellowmen is colossal nonsense. We all can recollect the times in the past when the little boys wore a broad white collar about a foot wide, and a long flowing tie, with a little hat on the side of the head, and how pretty they were! How we loved those little fellows—little Lord Fauntleroys! We all admired and loved those little chaps, but where I differ, and where I think most other members of this House differ, from the hon. member for Southeast Grey is that while it is all right for these little chaps to be little Lord Fauntleroys when they are six and perhaps eight years old, we do not want them to be little Lord Fauntleroys when they grow up to be men, and to have an extra cookie when they go to bed at night and have grandma sing lullabys to them to put them to sleep. We do not want a class of men in this country that you might call she-men.

Miss MACPHAIL: I think it would be very much better for a lot of men, possibly for the hon. member who has the floor, if they could be called she-men. If that meant they had some of the attributes of women, it would be a very good thing for the men. I resent very deeply that the hon. member's insult to women calling boys whom he wishes to discredit she-boys. Since when did the male become greater than the female?

Mr. EDWARDS (Frontenac): Far be it from me, Mr. Chairman, with such evidence of female superiority as we have in this House, to suggest for one moment that the male is superior to the female. I know, of course, that that is impossible, but, being a mere male, I still cling to the desire to have some of the attributes of a male and not to be led around by the apronstrings of any female, even when, rightly or wrongly, she possesses not only the attributes of the female sex and superiority, but also those of the male sex. I do not want to see boys grow up to be little Lord Fauntleroys all their lives. I do not want to see a class of boys grow up to be men who will be taught that the only resentment a boy must show when offered an insult is to slap the other fellow lightly on the wrist, and then go home and tell his grandmother, who will probably give him an extra cookie that night and recite some nursery rhyme to him. We have got to have both sexes in this country and I would be the last one to suggest otherwise. No person has a deeper or more abiding reverence for those of the opposite sex than myself. Any person who has lived in the world nearly as long as I have will understand me when I say that we appreciate their superiority and bow to their judgment and often to their authority, even when we think otherwise. As a matter of diplomacy it is a wise thing to do, and while that may be a good thing in individual cases I will tell the hon. member from Southeast Grey I do not want it to become wholesale. We may tolerate a few cases here and there, but we do not want our boys to grow up with the idea that it is their duty in life to shoot straight to kill their fellowmen, or with the idea that in the little drill they get in the school they are being trained for the purpose of killing their fellowmen, but we want them to be taught—and I believe from my knowledge of the school teachers of this country that they are taught—the horrors of war and the dreadful thing that it is, but they are also being told, and properly so, that it is a good thing to be prepared for contingencies if they arise.

The hon. member for Winnipeg North Centre referred to England as being prepared. The hon. member quoted the amount that a number of countries were paying out for national defence or armed preparations. He quoted what England and France were paying out for this purpose and judging from what we see at the present time and what we know of the storm cloud which is hanging heavily over Europe, I ask what would be the result if England and France to-day scrapped all their warships, took the uniforms off the boys and destroyed all the aeroplanes they possess? I venture to say that inside of thirty days we would have a war in Europe, and the powers which had not destroyed their means of defence would take advantage of the unpreparedness of England and France, and that war would result to the destruction of England and France and the breaking down of civilization.

Let us look a little further if I may for a minute or two into the remarks of the hon. member for Winnipeg North Centre. Speaking here day before yesterday on this question, in opposing this vote, he was heartbroken over the thought of voting money for such a purpose. Tears coursed copiously down his bronzed and weatherbeaten face as he thought of voting any money for this purpose. He was a veritable apostle of peace—that same hon. member for Winnipeg North Centre. He said, "I could understand the attitude of hon. members in this House, professional militarists, whose job is to keep this sort of thing going." But what about professional bolshevists and agitators, whose job it was to bring about a strike in Winnipeg in

1919? The hon. member asked the question, "Against whom are we preparing? Against whom are we arming?" The last world war was fought to make the world safe for democracy, and now the problem is to make democracy safe for the world. That causes a little laughter by certain hon. members in this House. I am glad they feel so highly elated and so humorous over it. But just so long as people, especially members of this House, give expression to the views voiced by the hon. member for Southeast Grey and just so long as we have members of this House educating the school children of this country with the kind of propaganda the hon. member has given out, just so long as we have members in this House, like the hon. member for Winnipeg North Centre and his colleague from North Winnipeg, looking with an encouraging eye on such events as the Winnipeg strike, I can give an answer to his question: Against whom are we arming? It is not perhaps so much against trouble from outside. We are not arming against anyone or any nation in particular; but I repeat that it is important that the boys of this country should grow up with their minds filled with the idea that it is up to them as citizens of Canada to be prepared to meet just such contingencies as arose, apparently with the approval of the hon. member for Winnipeg North Centre, in the Winnipeg strike a few years ago. One can understand the attitude of the hon. member for Winnipeg North Centre in opposing the vote. May I call attention to the fact that when that strike took place in Winnipeg the strike committee undertook to control the delivery of milk and bread, they proposed to establish depots which were to give preference to the families of those engaged in the strike, and they were not concerned about others, or about the families of others. On the 17th May the strike committee issued this bulletin:

> It is impossible to distinguish between the sick children owing to the fact that it would take days to establish a card system, and reports are fast coming in that children are on the verge of death for the want of milk.

So they issued this bulletin to explain to the strikers that they could no longer follow their former objective of looking after the children of strikers. They said, "We have not time to discriminate, and some of our own children, the children of strikers, are dying of starvation. If we could only discriminate or differentiate, if we had our card system perfected, we need not care about the children of those not striking; they might die of starvation, but we cannot discriminate" And they issued this bulletin. I wonder if the children of the member for Winnipeg North Centre were suffering from hunger or from the lack of milk. Or were the children of the member for North Winnipeg (Mr. Heaps) suffering in that regard? Possibly not. Their prominence in the line would see to it that they and their families were looked after. Such things are among the horrors of war—children dying from starvation, and so on. That is a terrible thing. Do not vote anything in this House to provide against contingencies of that kind. But it is all right in the estimation of the hon. member if it occurred as it did in Winnipeg in the strike conditions that existed at that time. Is there any doubt about that?

On the 7th of February the hon. member, speaking in Vancouver, said:

> The ultimate object of the federated Labour party is the collective ownership and democratic operation of the means of wealth production. This involves a complete revolution in our whole economic and social structure.

So the object was collective ownership and a complete revolution if necessary by such means as were undertaken in the Winnipeg strike. I am sure hon. members will understand why.

Mr. WOODSWORTH: Mr. Chairman, may I interrupt for a moment?

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: I have a right to ask a question. I have also a right to check statements.

Mr. STEVENS: No.

Mr. WOODSWORTH: I have a right to check statements with regard to myself on a question of privilege. The hon. member for Frontenac-Addington has not only made the most glaring misrepresentation in regard to the charge—

Mr. EDWARDS (Frontenac): Mr. Chairman, this is not a point of order.

Mr. WOODSWORTH: I rise to a point of order.

Mr. EDWARDS (Frontenac): State your point. You are not going to make another speech until I get through.

Mr. WOODSWORTH: The hon. gentleman is absolutely correct in his statement as to what I said, or at least I presume I said, and as to my attitude with regard to the necessity for our proceeding along the lines of complete economic changes in our industrial and social system. But he is absolutely wrong in interjecting the means by which he says

I propose to secure those changes. I protest that he has no right to put words in my mouth. That is my question of privilege.

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: I ask, Mr. Chairman, that the hon. member retract that interjection.

Mr. EDWARDS (Frontenac): What interjection have I to retract? I think it is natural that I should ask that question.

Mr. WOODSWORTH: Mr. Speaker—

Mr. EDWARDS (Frontenac): Just possess yourself in patience. If hon. members do not object I can keep this going with you from now until to-morrow, and enjoy it. The hon. gentleman says that he did state what I quoted, that he favoured:

> The collective ownership and democratic operation of the wealth of production.

He does not object to that. The other part of the quotation was:

> This involves a complete revolution in our whole economic and social structure.

Do I understand the hon. gentleman to say that he did not use those words?

Mr. WOODSWORTH: No, I am quite content with that statement.

Mr. EDWARDS (Frontenac): That is—

Mr. WOODSWORTH: Mr. Chairman, I ask—

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: Mr. Chairman, I ask that a certain statement made by the hon. member be retracted, to the effect that I have indicated the means by which that could be done—the means used, as he states, in the Winnipeg strike. That is not so. I ask that the statement be retracted.

Mr. EDWARDS (Frontenac): Mr. Chairman, I have nothing to retract. I have driven the nail in and I will clinch it on the other side before I get through.

Mr. WOODSWORTH: Mr. Chairman, I absolutely deny the statement and I ask that it be retracted. I have a right to make that request.

Mr. EDWARDS (Frontenac): Mr. Chairman, the hon. gentleman—

Mr. GARLAND (Bow River): Mr. Chairman, I rise to a point of order. The hon. gentleman who has the floor made a statement which the member for Winnipeg North Centre (Mr. Woodsworth) has denied in toto.

Mr. BENNETT: He has not. He said it was true.

Mr. GARLAND (Bow River): The hon. gentleman is showing unnecessary heat.

Mr. BENNETT: We saw you last year.

Mr. GARLAND (Bow River): I ask for your ruling, Mr. Chairman.

Mr. BENNETT: Let us have your Cromwell.

Mr. EDWARDS (Frontenac): I would be the last to ask consideration from the hon. gentleman who bobbed up a moment ago. I am quite capable of taking all the blows as they come, but—

Some hon. MEMBERS: Order.

The CHAIRMAN: Rule 19, subsection 249, states:

> It has been formally ruled by speakers in the Canadian Commons that a statement by an hon. member respecting himself and peculiarly within his own knowledge must be accepted, but it is not unparliamentary to temporately criticize statements made by a member as being contrary to the facts.

I am at a loss to see that the hon. member for Frontenac-Addington (Mr. Edwards) has said anything which has been directly contradicted by the hon. member for Winnipeg North Centre.

Mr. WOODSWORTH: Mr. Chairman, I appeal against your ruling, and—

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: —I will explain my position.

Some hon. MEMBERS: No, no.

Mr. WOODSWORTH: I have a right to do so.

Mr. GUTHRIE: There is no debate on an appeal against the ruling of the Chair.

Mr. WOODSWORTH: I have a right to explain.

The CHAIRMAN: The hon. gentleman is within his right in appealing against the ruling of the Chair, but the appeal is not debatable.

Some hon. MEMBERS: Vote.

Mr. EDWARDS (Frontenac): Mr. Chairman—

Some hon. MEMBERS: Vote.

Mr. EDWARDS (Frontenac): Mr. Chairman,—

Some hon. MEMBERS: Order. Vote.

The CHAIRMAN: Do I understand the hon. member for Winnipeg North Centre wishes to force his appeal?

Mr. WOODSWORTH: Yes, Mr. Chairman, I appeal against the ruling of the Chair.

The CHAIRMAN: To clear the matter up, I must ask the hon. gentleman clearly to state to the House just what he is appealing against.

Mr. BENNETT: Put it in writing.

Mr. WOODSWORTH: I was going to proceed to do that. I appeal against the ruling of the Chair. I will give the grounds of my appeal.

The CHAIRMAN: On what point?

Mr. WOODSWORTH: On your ruling, Mr. Chairman, that the hon. member for Frontenac-Addington is in order. I rose to a question of privilege on the ground that the hon. member had alleged that I had made certain statements, which statements I absolutely denied.

Some hon. MEMBERS: You admitted them.

Mr. WOODSWORTH: The hon. member for Frontenac-Addington declined to take my denial; he refused to retract. The right which I have in this House, Mr. Chairman, a right which I do not intend to surrender, is to insist on a retraction by the hon. gentleman. You deliberately ruled against that right.

Mr. ARTHURS: Mr. Chairman, I submit there is nothing before the Chair at the present time.

Mr. GUTHRIE: There is an appeal.

Mr. EDWARDS (Frontenac): Mr. Chairman, I read a moment ago—

Some hon. MEMBERS: Order.

Mr. SPEAKER took the chair and submitted the question to the House in the following terms:

During the debate on item No. 92, being a vote for $500,000 for cadet services, Mr. Edwards (Frontenac-Addington) alleged that the member for Winnipeg North Centre (Mr. Woodsworth) in a speech at Vancouver stated that there should be a complete change in our economic conditions which might necessitate the taking of revolutionary methods.

Mr. Woodsworth objected to the allegation that he was ready to take revolutionary methods, and asked that Mr. Edwards retract his allegation. The Chairman ruled that Mr. Edwards was not bound to make any retraction.

From this ruling Mr. Woodsworth appealed.

Mr. WOODSWORTH: Mr. Speaker, may I say—

Mr. SPEAKER: Order.

[Mr. J. W. Edwards.]

Mr. WOODSWORTH: —may I say that is not a correct statement of my position. That is not the point I objected to—

Mr. SPEAKER: Order.

Mr. WOODSWORTH: I object that that is not—

Some hon. MEMBERS: Order.

Mr. SPEAKER: No discussion can take place on a ruling of the Chair.

The House divided on the question: Shall the ruling of the chairman be sustained? And the ruling was sustained on the following division:

YEAS

Messrs:

Arthurs,
Auger,
Barber,
Bell (St. John-Albert),
Bennett,
Bettez,
Black (Halifax),
Blanchard,
Boivin,
Bothwell,
Boucher,
Boulanger,
Bourgeois,
Bowen,
Brady,
Cahan,
Cannon,
Cantley,
Cardin,
Carmichael,
Casgrain,
Casselman,
Chaplin,
Charters,
Chevrier,
Clark,
Cowan,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Descouteaux,
Deslauriers,
Dickie,
Dionne,
Donnelly,
Dunning,
Edwards (Frontenac-Addington),
Edwards (Ottawa),
Edwards (Waterloo South),
Elliott,
Embury,
Ernst,
Fiset (Sir Eugene),
Fraser,
Garland (Carleton),
Gervais,
Girouard,
Goodison,
Gott,
Grimmer,
Guthrie,
Hanson,
Hodgins,
Ilsley,
Jenkins,
Johnstone (Cape Breton North-Victoria),
Jones,
Kaiser,
King (Kootenay East),
King, Mackenzie (Prince Albert),
Lacombe,
Ladner,
Laflamme,
Lapierre,
Lavigueur,
Lennox,
Macdonald (Glengarry),
MacDonald (Cape Breton South),
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacLaren,
MacLean (Prince),
McLean (Melfort),
MacNutt,
McGibbon,
McKenzie,
McPhee,
McRae,
Manion,
Matthews,
Motherwell,
Odette,
Perras,
Pettit,
Pouliot,
Preston,
Prévost,

Price,
Quinn,
Ralston,
Rennie,
Rinfret,
Robb,
Robinson,
Robitaille,
Ross (Kingston City),
Rutherford,
Ryerson,
St.-Père,
Sanderson,
Senn,
Short,
Simpson,
Sinclair (Queens),
Sinclair (Wellington North),
Smith (Cumberland),
Smith (Stormont),
Smoke,
Spence (Maple Creek),
Stevens,
Stewart (Edmonton West),
Stewart (Leeds),
Stirling,
Thompson,
Tolmie,
Totzke,
Tummon,
Vallance,
Veniot,
Verville,
White (London),
White (Mount Royal),
Young (Saskatoon).—124.

NAYS

Messrs:

Adshead,
Bancroft,
Beaubien,
Bissett,
Bourassa,
Bradette,
Brown,
Campbell,
Cayley,
Coote,
Evans,
Fansher (Last Mountain),
Gardiner,
Garland (Bow River),
Gershaw,
Glen,
Hall,
Hepburn,
Howden,
Irvine,
Kellner,
Kennedy,
Lang,
Luchkovich,
Macphail (Miss),
McDiarmid,
McMillan,
Millar,
Milne,
Neill,
Spencer,
Steedsman,
Thorson,
Ward,
Woodsworth,
Young (Weyburn).—36.

Mr. SPEAKER: The Chairman's decision is sustained.

Mr. GLEN: Before you leave the chair, I should like to have your direction in this matter.

Mr. SPEAKER: There is no appeal after the opinion of the House has been taken.

Mr. GLEN: I am rising to a point of order.

Mr. SPEAKER: The House is now in committee.

SUPPLY

The House again in committee of supply, Mr. Johnston in the chair.

Mr. GLEN: I should like to get a direction—

Some hon. MEMBERS: Order, order.

Mr. WOODSWORTH: As a matter of privilege I should like to say—

Some hon. MEMBERS: Order.

Mr. EDWARDS (Frontenac): I wish to state here and now that if I have said at any time anything which any hon. gentleman in this House states is not in accordance with his own statement, I will be the first to correct what he might regard as a misrepresentation, for I have no wish to violate any rule of the House. I shall place upon Hansard again that part of the quotation which was accepted as correct by the hon. member for Winnipeg North Centre so that we may have the connection. I quoted him as saying—and to this he did not object, although I understand he objected to some conclusions I drew therefrom:

> The ultimate object of the federated labour party is the collective ownership and democratic operation of the means of wealth production. This involves a complete revolution in our whole economic and social structure.

Mr. STEVENS: Let it go at that.

Mr. EDWARDS (Frontenac): Perhaps some gentleman did not get the whole of that sentence—"a revolution in the whole economic and social structure". Those are the words I read before, and Hansard will show to-morrow that I read them. Now I want to add to that the rest of the quotation:

> The federal authorities control the military and the courts, and labour is not going to get what it wants until it, in some way, gets control of the military and the courts.

Now, Mr. Chairman, I maintain that there is a very direct connection between that statement of the hon. gentleman and the item under discussion, and I think that we can very clearly estimate the reasons why the hon. gentleman is objecting to this estimate which he claims is for militaristic purposes. Naturally in view of that statement he does not want to see the federal authorities control the military and the courts, and he tells us plainly that labour will not get what they want until they get control of the military and the courts. I just want to say in this connection that I do not regard the hon. member for Winnipeg North Centre, or his colleague from North Winnipeg (Mr. Heaps) as in any sense of the word expressing the sentiment of labour in this Dominion. May I add to what I have already read to show the kind of company the hon. gentleman was in, a quotation from a speech by the hon. member for North Winnipeg. Referring to the strike, which he called "a peaceable strike," he said:

> We were having beautiful weather, and we were having a beautiful strike, when the citizens butted into the game and began to attempt to assert their authority.

It was very inconsiderate of the citizens of Winnipeg that they should butt in on such

a beautiful day when these people were having such a fine time. So I say that gives us an indication again of what they stand for.

Let me quote another bosom friend, and one who took an active part in the strike, a man by the name of Russell:

> The blood that is spilled in Canada will depend on the working class. We must establish the same form of government as they have in Russia so that we may have a Russian democracy here.

"Oh, it is a terrible thing to vote any money in this House for military purposes, it is all tending in the direction of war," says the hon. gentleman. He objects to that very strongly. But here is one of his bosom friends and colleagues in this strike that took place in Winnipeg, whose words I have quoted—"that the blood that is spilled in Canada;" not the blood spilled in war with any other nation, but "the blood that is spilled in Canada."

Mr. WOODSWORTH: Mr. Chairman—

Mr. EDWARDS (Frontenac): I am not quoting the language of the hon. member for Winnipeg North Centre.

Mr. WOODSWORTH: I should like to ask whether the member for Frontenac has any right to quote a Mr. Russell, and say that he is a bosom friend of mine—

Mr. STEVENS: That is not a point of order.

Mr. WOODSWORTH: —and imply—

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: —that I am in this position. I should like to ask if the hon. gentleman is in order.

The CHAIRMAN: I think the hon. member for Frontenac-Addington is certainly in order in quoting the remarks of a Mr. Russell.

Mr. WOODSWORTH: That is not the point again.

The CHAIRMAN: I do not understand that the hon. member for Winnipeg North Centre denies that this gentleman made the statement. Does the hon. member for Winnipeg North Centre deny the statement that Mr. Russell is a bosom friend of his?

Mr. WOODSWORTH: I deny that the statement at all represents my position.

Mr. EDWARDS (Frontenac): Very well, Mr. Chairman, if the hon. member for Winnipeg North Centre so far forgets the claims of comradeship as to state emphatically that Russell was not a bosom friend of his, I would accept his statement at once, but I am quoting from a man that he does not repudiate, who was one of his bosom friends during that "peaceable strike" that took place in Winnipeg, when people were starving and infants could not get sufficient milk to nourish them.

Mr. BEAUBIEN: I rise to a point of order. My point of order is this: What has the Winnipeg strike got to do with the item under consideration?

Some hon. MEMBERS: A good deal.

Some hon. MEMBERS: Sit down; take your seat.

Mr. EDWARDS (Frontenac): I will answer that question in a very few words.

Mr. BEAUBIEN: I should like to have a ruling on my point of order, Mr. Chairman.

The CHAIRMAN: The hon. gentleman is speaking to the point of order.

Mr. EDWARDS (Frontenac): In regard to the point of order I would merely say that reasons have been advanced why this item should not be voted. I am giving reasons why in my judgment it should be voted, and some of those reasons have been furnished by what has taken place within the bounds of Canada. Surely if anything is pertinent to the question, that is. When we find hon. gentlemen saying that certain parties or classes must, in order to prevail, get control of the military and the courts of this country, I certainly think we have a right to discuss this vote from the standpoint of maintaining recognized authority in Canada.

The CHAIRMAN: Regarding the point of order raised by the hon. member for Provencher (Mr. Beaubien), since I have been a member of this House it has always been the custom to allow great latitude in discussing the estimates, but I thought both on Saturday and to-day that the discussion in connection with this item was going rather far afield. In my opinion the hon. member who now has the floor has not travelled further afield from the item than other hon. members, but I hope he will confine his further remarks more closely to the item before the committee.

Mr. EDWARDS (Frontenac): I want to quote from one person who took a very prominent part in the Winnipeg strike in order that I may demonstrate to the committee reasons why we must make preparations against such things in the future. I quote from a man by the name of Ivens:

> The storm is about to break and this time the lightning is about to strike upward instead of downward. I think the parliament buildings on Kennedy street would make a good labour temple and the way things are going we will soon move in.

In such utterances as those reasons are furnished why we should back up a movement which will instil into the minds of the boys of this country some definite ideas as to their responsibilities and duties as Canadian citizens. But since an objection has been raised to my quoting from Ivens and Russell, we had an indication right in this House of the autocratic, if not the militaristic spirit last year when the hon. member for Winnipeg North Centre (Mr. Woodsworth) himself gloried in the fact that complications arising from the groups in the House at that time enabled him to dictate to the government regarding certain legislation. If that is not an indication of militaristic tendencies, it is an indication of an autocratic tendency to which I object and which I think we should endeavour to school our boys in this country to avoid. The hon. member for Winnipeg North Centre in those trying days, when that peaceable strike took place, took very few risks himself. Seeing that he was a Canadian-born citizen he ran no risk of being deported. In regard to going into prison, I quote his statement at Calgary under date of October 29, 1919:

> I am not worrying as to whether they keep me in the pen or not. We'll win anyway. I don't think the workers of this country will let us stay in anyway.

There is not a great deal of courage behind a statement like that! He wants to gain control of the military and the courts in this country, so we can understand why he is opposed to the item at present before the committee. I do not intend to detain the committee any longer than to say this: I quoted from Kipling a little while ago and I have given indications of what Kipling perhaps had in mind when he said:

> And the things that you learn
> From the yaller and brown
> 'll 'elp you a lot with the white.

The things we have learned not from "the yaller and the brown," but from white gentlemen who have given their encouragement, at least not their discouragement, to such things as took place in Winnipeg in 1919, will help us a lot in managing the affairs of this country, if we only properly appreciate what they did or attempted to do and keep them in their place.

It has been my misfortune during this debate to refer to another hon. member, the hon. member for Southeast Grey (Miss Macphail) in a way which evidently that hon. member did not approve. I have nothing whatever to say against the person who represents Southeast Grey. When I refer to that hon. member I am referring to the person who represents the constituency of Southeast Grey, just as I would refer to any other member in this House who represents any other constituency. I am speaking, not against the personality of the one who made the remarks any more than against the hon. member for Winnipeg North Centre, but against the teachings and the general attitude of mind of the hon. member for Southeast Grey, which I think are not in the best interests of the Dominion of Canada. I would not have said so much about the hon. member for Winnipeg North Centre if he had confined his remarks to Winnipeg North Centre. But he has been speaking in various parts of this country and I want the people of Canada to understand him as I think I do. I would refer him to a statement which he made as reported on page 1732 of Hansard of last year in reference to singing the national anthem. He said

> I remember that I became conscious that the tune was "God Save the King", but I paid no attention.

I represent people of the opposite class. When I recognize the fact that the national anthem is being sung I feel like standing to attention as I believe all loyal subjects will do, and in that way showing my respect for the head of the British empire.

It was my misfortune to bring down upon my head the wrath of the hon. member for Southeast Grey. In that connection I will close by saying that if before I came here this afternoon I did not appreciate the truth of Kipling's statement, I certainly do now when he said: "The female of the species is more deadly than the male."

Mr. GARLAND (Bow River): Having listened to the provocative speech of the hon. member (Mr. Edwards, Frontenac), there will be no longer any wonder in the minds of those who have wondered in the past why Ireland was such a distressful isle. The hon. gentleman has undoubtedly ability to stir things up and I think he has succeeded this afternoon. The reverberations of his utterances will not for some time cease to sound throughout this chamber. However, not having been referred to personally by that person I am not going to take issue with him because on this particular item of the estimates, while I may be no more obtuse than others, I did not hear him produce any worthwhile arguments as to why we should keep on increasing our appropriations for cadet training or for other military purposes.

I would like to ask hon. gentlemen and the minister concerned: What after all do we gain by the enormous increase in our military esti-

mates this year? I have in my hand an editorial from a humble western newspaper, one of those little things that crop up from time to time showing signs of reasoned intelligence and logic. This paper which is called the Western Producers has this to say on the question of the advantages or disadvantages of continuing to arm. It asks itself: What have we gained by arming? And on the basis of that question it writes this:

It is certain that there is a large and growing sentiment in Canada that the policy of individual nation-arming, with the hope of being able to conquer any possible foe at any time, is a hopeless task, and in contradiction to the spirit of the age. The policy adopted by the Navy League is the old policy governing the conduct of all nations at all times since the beginning of history. It is the policy which has failed to protect past empires and past nations. It is the policy that has brought on war and increased the ferocity of war. It is the policy that has led to intense national pride and consequent international bitterness. It is the policy that has destroyed millions of lives and devastated continents. It is the policy which the Great war was supposed to terminate. It is generally accepted that the policy has worked well for the British Empire—

Hon. gentleman to my right have argued that again and again:

—but even that may be subject to challenge. Great Britain, largely as a result of her naval and military preparations, has been swamped in taxes. It can be imagined that if Great Britain had devoted her brains and her money to social improvement and industrial development—

And I might add international harmony and brotherhood:

—the million or so men now out of work and miserable would be employed and happy.

One million is too small a figure. Other eminent economists have put the figure as high as ten millions out of work and unhappy:

England has protected her shores and her commerce, but she cannot protect millions of her citizens from starvation and abject squalor. Her freedom, as it is called, has been maintained, but the freedom enjoyed by the destitute families of desperate men, is a doubtful asset from the standpoint of the workless.

I ask again, what do we hope to gain from this additional expenditure on armaments in this country? What excuse there was for Britain does not exist in this country. What excuse Great Britain might have had for adding to her army and navy and increasing her military and naval expenditures year after year does not exist in this country. We are in a geographical position that relieves us from the menace of European conflict. We have no enemies who wish to injure us. We have even the voice of some of the greatest statesmen that England has ever produced in support of our attitude. No one questions the brilliance and depth of thought of Arthur Ponsonby, who during the MacDonald administration was Under-Secretary of Foreign Affairs. Referring to the dominions, in his book, Now is the Time, he has this to say, and I commend these words to the minister and to the administration at page 82:

Any disposition on the part of our dominions to refuse to join in these wars of European origin will be all to the good. The deadweight of a reasonable pacifism from that quarter might have a moderating effect on the home government.

There is no question about it:

If the jingo does not want the break-up of the empire, he must moderate his tone and abstain from converting inter-governmental disputes into causes of war. In any case, however, so widely different are the circumstances—

This is the point I want to emphasize:

In any case, however, so widely different are the circumstances of life and world relations in our dominions, that it can only be a matter of time for them to have complete control over their own destinies. For us to prevent them from reaping the inestimable benefits of peace which their great distance from the European powder magazine would naturally allow them, must indeed, sooner or later, strike both the governments and the peoples of the dominions as intolerable.

There are many other references of like character in that volume and in other volumes that you can find; they were referred to by the hon. member for Southeast Grey when she was speaking. Lord Grey, Lord Milner, and many other of the greatest thinkers and statesmen that England has produced denounce the madness and insanity of war and of continuing preparations for war, because the result is always and inevitably the same. Some gentlemen sing of glory and victory and triumph. The hon. member for Frontenac this afternoon quoted Kipling. Let me answer him by quoting from one of our Canadian poets, Robert Service, in a volume dedicated to his brother, Lieutenant Albert Service, who was killed in action in France in August, 1916:

Victory! there can be but one, hallowed in every land;
When by the graves of our common dead we who were foemen stand;
And in the hush of our common grief hand is tendered to hand.
Triumph! Yes, when out of the dust in the splendour of their release
The spirits of those who fell go forth and they hallow our hearts to peace,
And, brothers in pain, with world-wide voice, we clamour that War shall cease.

Another tribute:

Glory! Ay, when from blackest loss shall be born most radiant gain;

When over the gory fields shall rise a star
that never shall wane;
Then and then only our dead shall know that
they have not fall'n in vain.
When our children's children shall talk of war
as a madness that may not be;
When we thank our God for our grief to-day,
and blazon from sea to sea
In the name of the dead the banner of Peace
. . . . that will be Victory.

Yes, Mr. Chairman, and that is the direction in which I hope every effort of mine will be placed. In a peaceful country like this, without enemies, I do not want to see these estimates increased, for that increase in turn creates a psychology so inevitably drawing the nation sooner or later into military competition and into war itself. Would it not be much better that we should devote the moneys we have to other and worthier purposes? We find, for instance, that it is difficult for the returned men who fought in the last war to get the justice they feel is theirs. The Minister of Finance rose in the House on Saturday morning and referred in a very autocratic manner to the position which he was prepared to take if certain amendments to the Pension Act were not at once accepted. There are other questions that arise. There is need in this country for expenditure on post offices and other public works. There is need for expenditure in many districts that are awaiting development, to add to the prosperity and wealth of this nation, but we have no money for these things, while for war and preparations for war we have millions of dollars to spend.

I was interested enough to place on the order paper some little time ago an order for a return showing the total of appropriations for the fiscal year 1925-1926, both on capital and consolidated accounts. I asked that the figures be tabulated in various divisions showing, first, appropriations relating to past wars; secondly, appropriations relating to future wars, and other divisions showing expenditures on public works, science, social and ethical improvements, and so on. I received that return a little time ago. I have taken some trouble to analyse a part of it; I have not had time to go through the whole of it yet. But I find this: Out of the 1925-1926 appropriation we spent for past wars, and this will practically be the same as this year, $163,639,165.24. We are now preparing for another war in that we are spending nearly $14,000,000; $13,774,805 to be exact, on military preparations. In order to get a fair idea of how our development is tending, let us see how much is being spent by the federal government on science. The total amount spent in all departments of government on science during that year was the paltry sum of $2,944,000. How much was spent on social and ethical development? A total of $2,541,000. We spent $14,000,000 preparing for war, and $163,000,000 on account of past wars, and before we have measurably reduced our war debt, before we can spend hardly anything on science or on social and ethical development we are proceeding to add another $3,000,000 in one year to the military expenditures of this country. I do not think there is any defence that can be put up to support the hon. minister in the increase he is asking in these estimates this year, and I hope that when he speaks he will give us really worth while reasons that will appeal to common sense why this increase is being asked for.

I will give him another reason why there should not be an increase in these estimates. I have in my hand the Canadian Forum, one of our brilliant little publications in Toronto, whence other thoughts come than those emanating from the hon. member for Frontenac. One of the editors of this publication indicates that there is a psychological effect which is at once developed the moment we become a busily arming nation. He puts it this way:

> But the cardinal argument against Canada, at this of all times, beginning to build up defensive forces is psychological. The success of the league is bound up with the cause of disarmament. It is true that as yet little has been done towards the limitation of armaments, and it is possible that the next disarmament conference will be little more successful than other attempts in the past.
>
> But the forces working towards disarmament are strong and confident; we believe that they will triumph, because they represent the spirit of the age; but even those who have not that faith must admit that there are good grounds for hope that they prevail, although their first victory may not be until the time when France is faced with the near prospect of a Germany free to arm against her—and that time is not quite yet. At the present time and under these circumstances if Canada were to take measures towards arming herself, which she never previously considered, the adverse moral effect on world opinion might but out of all proportion to the importance of the measures taken.

I think that is only too true a statement. The adverse pyschological effect on the work of those who at the present time are pressing forward in the cause of peace is something the administration of this country might well pay some attention to.

> Even if those measures were merely to make a direct contribution towards Britain's forces which would relieve her and leave the total British armament unchanged, the facts would be distorted by every enemy of the commonwealth and the league, perfidious Albion would again be painted in sinister colours on the front

pages of every Anglophobe news-sheet, and the forces working for disarmament would suffer a definite reverse.

The administration might consider the value of that argument. To me it is a very powerful one. One of the greatest contributions this country can make to the cause of peace at the distance we are placed from the continent of Europe, free from the constant touch of hate that influences the feelings of our statesmen on the other side of the water, free to view matters in a broader way and clearer light and weigh up incidents that occur from time to time, and free as we are to bless ourselves with a peaceful future, is to encourage disarmament by our own example and so add weight to the efforts of others in foreign countries in this great cause. It is to be condemned that a country like this, with such vast possibilities for peace advancement in its own home, should now, in this of all years, increase to such an enormous extent the armaments of this country. There are many deplorable things coming from Toronto, but some good things too.

Mr. ARTHURS: Has the hon. member considered the present naval armament of Canada, consisting of one or two mine sweepers? Do you base any argument along that line?

Mr. GARLAND (Bow River): I do not think we need worry in the least about our navy and our army in this country unless it be demonstrated that the purpose can be served in line with the argument used by the hon. member for Frontenac. I fail to see why we should carry a burdensome, top-heavy army or naval force.

I have in my hand a communication which I received this morning from Toronto, headed—

Fellowship of Canadian Youth for Peace.

When I read it I had a glowing feeling of satisfaction. I felt that there was creeping into the people a realization of their destiny, and the need of the development of a desire for peace in the country. After all human nature is not what it is said to be. The healthy boy does not want to go out and kill. All he does is to arm himself with a wooden sword because he sees pictures of armed soldiers, he sees pictures of men on horseback gaily decked in glittering war array. It is not with a desire to kill that he marches round. It is not to train for future conflict. But if you are going to band your boys together in the way proposed, give them real guns and show them the easy way in which they can destroy life, pleading speciously that they should only use these guns when occasion arises, you are creating the probability of the very thing we desire to avoid. A letter I have received this morning is in the following terms:

I have the honour of sending you a copy of a resolution, which I am sending to the Minister of Militia on behalf of the Fellowship of Canadian Youth for Peace (Toronto Branch).

We hope you will give this communication your earnest consideration.

Yours sincerely,

(Mrs) AMY GUYOT,
Secretary.

And the letter to the minister reads as follows:

Dear Sir,

With an ever increasing number of people becoming alive to the fact that the greatest and most important task of our generation is the abolition of war; and as in the words of the League of Nations Union, "armaments are the chief obstacle to goodwill and peace among the nations," this fellowship views with alarm the increase in the Military estimates for this country of over $3,000,000.

We believe that the only effective "defense" is by the promotion of international understanding and goodwill and suggest that all such money should be used for this purpose.

On behalf of the Executive Committee of the Fellowship of Canadian Youth of Peace (Toronto Branch).

Yours sincerely,

(Mrs.) AMY GUYOT,
Secretary.

I add that to my contribution to Hansard as an indication of the development of a splendid psychological condition in the minds of the youth, at least, of one part of our country.

I now come to another stage in this matter. I have no doubt hon. gentlemen who support these estimates will support them for many reasons, among others those argued by Premier Bruce of Australia at the Imperial conference, and renewed by him when he visited this country shortly afterwards. He was eloquent about it when he came to Canada to instruct us as to what we ought to do as our contribution. Not having had an opportunity of concluding my speech on the Imperial conference to date, I wish to congratulate the Prime Minister on the speech he made in Toronto in which he deliberately and very splendidly castigated the Prime Minister of Australia for the unquestioned impertinence that that gentleman displayed when he came here to tell us what we ought to do in the matter of empire defence.

Mr. JACOBS: I hope the Prime Minister did not put it that way.

Mr. GARLAND (Bow River): I am not worried about the way he put it; he put it

very well. I listened in over the radio. With that part of the address I was in agreement. Mr. Bruce's argument was the imperialistic argument. He said that we had to make a contribution, give them support and throw our lot in with the rest of the empire in the matter of armaments.

Mr. McGIBBON: May I ask a question?

Mr. GARLAND (Bow River): I wish to finish my remarks, the hon. gentleman can speak later. He then proceeded to offer a great many figures. For example, he quoted Great Britain showing that the total per capita expenditure on war—that is the army and navy—was 51s. 1d., but Canada was contributing only 5s. 10d., as compared with 51s. 1d. He rebuked us very much for that, especially when he came proudly to announce that Australia was contributing 27s. 2d. for 1925-26, England 12s. 11d., and South Africa 2s. 6d. I am glad to see that one country was slightly below us, or we would have got a dreadful spanking from Premier Bruce when he was here. If hon. members would look at Premier Bruce's figures from the point of view which, in my opinion, they should be looked at, they would not find so much to complain about, nor could we. Does anyone realize what it should cost us to maintain an armed force in order to be secure? Of course it is a form of insurance, just as we insure our buildings against fire and just as we insure our lives against death. We are endeavouring to insure against some danger. Does it not follow then that the nation in the greatest danger, in constantly present danger, would naturally pay a very greatly increased premium over those which would be paid by the nation that was not in any way in danger, or with the possibility of danger so slight that it could be regarded as being almost negligible? It appeals to me that if more security is the basis for our armament this contribution Great Britain makes for her security, situated as she is in the midst of national hates, is not at all too high. On the other hand I refuse to admit that the contribution we make to our security is too low. In support of that I should like to quote from an article that appeared in the Manchester Guardian Weekly of Friday, March 18, 1927. It is headed, The Burden of Armaments—The Premiums paid for National Security, and is written by Walter G. Layton, editor of the Economist. The article is well worth reading. Mr. Layton has this to say:

It is surely very unsatisfactory that the removal of the menace of a world conflagration should not have been followed by a much greater easement of the burden of armaments than this. There is no way in which the taxpayer can hope to get a more substantial measure of relief than by a drastic cut in the scale of armaments as a result of the international conferences shortly to be held.

In this connection it is worth while pointing out the extent to which different countries are carrying the burden of armaments. According to the most recent and authoritative estimate, the national income of Great Britain in 1924 and 1925 (1926 was, of course, abnormal) amounted to about 4,200 millions. Our expenditure on war preparations (including certain items carried on other votes than those of the three fighting services) amounted to well over 120 millions. In other words, the premium paid for insuring national security was three per cent.

Three per cent of the income was devoted as a form of premium to guarantee security in so far as armaments would do it; that arming does ever guarantee security is again debatable.

This is a slight improvement on 1913, when the premium worked out at three and a half per cent, but is much worse than in the last three decades of the nineteenth century, when a premium of about two per cent was all that was considered necessary. (It should be remembered, in passing, that while this is a perfectly reasonable method of representing the burden of armaments on the population of Great Britain, it is not a true index of the military effort of the British Empire; for the figure would work out at a much lower rate for the empire as a whole, seeing that the dominions are taxed for war purposes at a very much lighter rate than the mother country—namely one-half per cent to three-quarters per cent).

Now we come to this point:

At the present moment France is paying a premium of some three and a half per cent, with a war budget of nearly 5½ milliard francs, as compared with a national income which M. Bérenger put at 130 milliard francs, but is probably nearer 160 milliard francs. Italy is paying a security premium of over four per cent with a war preparation budget of over four milliard lire and a national income of about 100 milliard lire. The figures for Germany are in striking contrast, and her war expenditure, at 560 million marks out of a national income estimated by the Berlin Chamber of Commerce at 35,000 million marks, is equal to a premium of 1½ per cent.

Of course, we all know why that is. Germany is not allowed under treaties to arm, on the scale she would like to. Otherwise I have no doubt the premium in her case would be higher.

This national income figure is, however, probably on the low side, and the premium therefore is rather less than this figure. The lowest premium of all the great powers is that of the United States,—

And this is where the comparison comes in.

—which works out at about one per cent, the national income being at least 6,000 million dollars and defence expenditure under 600 million dollars.

The premiums naturally vary—like all forms of insurance premium—with the degree of risk, real or supposed, to which the insurer is subject; but it is fairly evident that the heaviest burden is being shouldered by those least able to bear it, and for this reason there is a real inducement for the nations of Europe to make a substantial reduction.

Now you have this situation. You have Italy with a four per cent war premium, England with a three and a half per cent war premium and France with a four to five per cent war premium. Why? Because they are all centered in a seething caldron of hate, they are in the heart of a continent where the unfortunate injustices of past wars and past treaties have inflamed race against race until there is no hope of peace while that hate continues. This is in direct contrast with the conditions on this continent, where we are free from that form of hate and are living in amity with the United States and the world. We are an industrious, peaceable people, and desire to remain so. I think to-day the greatest power in the world is the United States of America, and it pays a war premium of one per cent. Why? Because relatively she is secure in her geographic position. Then let us consider what should be the policy of Canada. Why should we be asked to pay the higher premium when we possess a security certainly equal to that of the United States of America?

I am satisfied because of our geographical position. We have the friendliness of those who are on one side of us, and our relations with world countries are always friendly—unless we happen to have been involved in unfortunate affairs of the mother country. We are not a quarrelsome people, we wish to trade with other countries, not to fight with them, and so long as Canadian resourcefulness and progressive thought continue, there is in my opinion no excuse, certainly no reason, for increasing in one single year our defence estimates by some $3,000,000. Nor do I think we are justified in adding to the armaments of this country for almost any reason whatever. I find hon. gentlemen to my right, and indeed a few opposite—not so many as there used to be, although there are still too many—prone to argue that after all human nature being what it is we must prepare for war. They tell us, You cannot stop people wanting to fight. I am not so sure. I will admit that if the member for Frontenac-Addington is around anywhere it sort of helps to liven things up a little bit and we may not be able to keep out of the scrap as long as we otherwise would. But I cannot admit that human nature is the secret of these war preparations. I have watched children, including my own, long enough to realize that there is no instinct in them to quarrel, no desire to kill one another. They like to play with flowers and with their fellow boys and girls, they love the sunshine and generally have a good time. What changes them is enrolling them into this sort of cadet training where they drill in stiff military attitudes and the Prussian spirit is developed in them. Then the little child becomes imbued with the war slogans, military jargon, the dreadful spirit of war that poisons life for him, and that some day or other he spews up in gasping death on the battlefield. That is the pitiful thing of it all. No one has put what I feel about this in better words than Shelley in his immortal Queen Mab, where he has this to say:

—yet fear not;
This is no unconnected misery,
Nor stands uncaused, and irretrievable.
Man's evil nature, that apology
Which kings who rule, and cowards who crouch set up
For their unnumbered crimes, sheds not the blood
Which desolates the discord-wasted land.
From kings, capitalists, and statesmen, war arose,
Whose safety is man's deep unbettered woe,
Whose grandeur his debasement. Let the axe
Strike at the root, the poison-tree will fall;
And where its venomed exhalations spread
Ruin, and death, and woe, where millions lay
Quenching the serpent's famine, and their bones
Bleaching unburied in the putrid blast,
A garden shall arise, in loveliness
Surpassing fabled Eden.

He turns then to the children and says again:

Nature! No!
Kings politicians, and statesmen, blast the human flower
Even in its tender bud; their influence darts
Like subtle poison through the bloodless veins
Of desolate society. The child,
Ere he can lisp his mother's sacred name,
Swells with the unnatural pride of crime, and lifts
His baby-sword even in a hero's mood.
This infant-arm becomes the bloodiest scourage
Of devastated earth; whilst specious names,
Learned in soft childhood's unsuspecting hour,
Serve as the sophisms with which manhood dims
Bright Reason's ray, and sanctifies the sword
Upraised to shed a brother's innocent blood.

I wish, Mr. Chairman, I could have put into such immortal words my feelings in this matter. I will, however, express my opinion by voting in support of the amendment moved by the hon. member for Southeast Grey.

Mr. RALSTON: I would like to say just a word in view of what has already been said by other hon. members. I do not think the hon. member for Southeast Grey (Miss Mac-

phail) or the hon. member for Winnipeg North Centre (Mr. Woodsworth) or the hon. member for Bow River (Mr. Garland) can claim to have a monopoly of those sentiments which have been enunciated ever since the sermon on the mount.

Mr. GARLAND (Bow River): Enunciated but never practised.

Mr. RALSTON: That is just the point; my hon. friends have their heads in the clouds, while I want to keep our feet on the earth.

Mr. GARLAND (Bow River): With an additional $3,000,000.

Mr. RALSTON: I will give my hon. friend a chance for discussion later.

Mr. McGIBBON: Don't do it; he never lets anyone interrupt him.

Mr. GARLAND (Bow River): I beg your pardon for the interruption.

Mr. RALSTON: I have listened for two days to the enunciation of principles to which I believe every hon. member of this House can subscribe, in relation to the horrors of war and the desire for peace, and I am sure there are hon. members of this House within reach of my voice who are just as anxious for peace and just as intimate with the horrors of war as are any of the hon. gentlemen who have so far spoken, one of whom made a magnificent contribution to the war. I refer to the hon. member for East Calgary (Mr. Adshead), to whom I wish to give great credit.

I want to say to you, Mr. Chairman, that I could make the speech which my hon. friend has made against war and in favour of peace, if I had his eloquence and his quotations, in the hope that the world would realize that some day we must adopt this principle; and the next moment I could ask this House to vote the small amount which is being asked by the defence department of this country, because I believe the two things go hand in hand, and because I do believe the hon. members of this House and the people of this country do not quite realize exactly what is the duty which has been imposed upon your humble servant in filling this portfolio. I am presiding over the Department of National Defence, not over a department which has to do with the propagation of the principle of the abolition of war, and I do resent the remarks made by the hon. member for Winnipeg North Centre when he said we have professional militarists whose job is in this thing, men who are at it in season and out of season, trying in every way to use their influence to perpetuate war. I say to my hon. friend that I do not believe that to be the case in the Dominion of Canada, and that I have yet to meet a professional militarist. I say to him, Mr. Chairman, and to other hon. gentlemen, in all sincerity, that I believe at least ninety-nine per cent of the men in the Department of National Defence and in the militia generally throughout Canada would be delighted if the time came when this country could do without its defence forces and disband them entirely. I want to say further that so far as I am concerned this portfolio of national defence is in the hands of my leader and of His Excellency the Governor General, because I do not propose to be here any longer than is absolutely necessary, in my humble judgment, to see that we have at least some form of defence such as that which is regarded as necessary having regard to conditions in the world.

Now let us get our heads out of the clouds, because I think we all admit and agree to the principles which my hon. friend has enunciated. Personally I was guilty on one occasion of using a good many quotations and a good deal of eloquence—and I was just as earnest and sincere as my hon. friend from Bow River—in delivering an address on international goodwill, and I say that I can occupy this portfolio and ask this House to vote these estimates while I still believe in every principle which I enunciated at that time. International goodwill is not being disturbed at all because some nations see fit to put a lock upon their front doors in the shape of a defence force within those particular countries. International goodwill is going to be maintained and furthered when we see to it that the will of war is uprooted from the hearts and minds of our people, and when we see to it that the things we have to say now, which perhaps are said thoughtlessly but are nevertheless said, do not engender hate and suspicion in the minds of those about whom we speak. We are too free in making snap judgments about other nations; that is one of the things working against international goodwill, and when our people realize that we can live together without criticizing one another, and that each nation can have its own peculiar customs without being made the butt of ridicule and criticism from other nations, then it seems to me we will have laid at least one stone of the foundation of international goodwill. So, Mr. Chairman, although I speak very earnestly, I believe sincerely that when I come to parliament—and I am going to discuss the whole subject if I may be permitted to do so, for a few minutes, since that is what other members have done—and instead of

busily arming, as my good friend from Bow River suggests, I ask this House to be good enough to grant to His Majesty a sufficient sum of money to provide one permanent force soldier for every 3,000 inhabitants of the Dominion of Canada; when I ask that they grant a sufficient sum of money to provide for the training for about nine days of one citizen out of every 300 in this country, it seems to me that after all the charge of being busily arming can be harly sustained. It seems to me that I have been about as modest in my requests as I can be, and notwithstanding the opinions which have been very freely expressed around this chamber by those who, if they were asked, would not sincerely pretend to be military experts and who do not claim to have studied international conditions in order to know exactly the circumstances surrounding us which make it necessary for us to arm—notwithstanding these opinions I do prefer to take, as I should, the opinions of those who advise me in connection with this matter, and they advise me that this is the minimum which any self-respecting and self-reliant country in our position should expect to provide for its defence services.

Now let me give the figures whish were mentioned by the hon. member for Bow River, and when he talks about busily arming let us just compare ourselves for a moment with the other countries of the world. I know that in continental countries conditions are distinctly different, because of their situation, but I think we should know exactly where we stand in relation to the other countries of the world. A comparison will show that the percentages of the total budgets of the different countries, together with the amount per head devoted to their defence forces, is as follows:

	Percentage of budget	Amount per head
France	15	$5 70
Italy	19	4 90
Belgium	8¼	2 61
Japan	27¾	3 93
Germany	9½	2 28
Russia	16½	2 37
Spain	26	5 67
Turkey	34⅓	3 38
United States	16	5 11

My hon. friend made some reference to the insurance premium of one per cent; he will see now that 16 per cent of the total expenditure of the United States is devoted to the defence forces of that country. Further comparisons are as follows:

[Mr. Ralston.]

	Percentage of Budget	Amount per head
Great Britain	14½	$13 17
Australia	10½	6 46
New Zealand	4½	4 00
South Africa	3¼	2 86
Canada	3⁷⁄₁₀	1 45

Now let me tell my hon. friend something else. We have talked a lot about the professional militarists of this country, although I think perhaps only one hon. member used the expression. But when my hon. friends speak in that way I do not think they are being altogether fair to the men who make up these defence forces, so-called, of this country, and I want hon. members to know what is being done in that regard. I realize these things now as I did not realize them before, because I want to tell hon. members quite frankly that I was not a member of the militia; I knew nothing of the non-permanent active militia, and was not aware of the interest which was taken in these matters by the citizens of this country generally. When I began to make inquiries I found that the men who were in command of or who were officers of units, and even those who were simply friendly to units, were giving freely of their time and money in order that the interests of these units might be secured and that the support of the men might be maintained. I found further, strange to relate, that in a great many instances the money which is being voted for the pay of these officers and men of the militia was not being drawn by them at all, but was taken by them and put into this pool, into a regimental fund, as they said in order to provide comforts and attractions for the men. I know of one particular commanding officer who spent no less than $3,000—he is only commanding the battalion for three years—in order to take his men on a little trip, and I understand, he proposes to do the same this year. So I had a questionnaire sent out to the various districts to find out how general this thing was. I have before me a table giving the result and, to put it briefly, it is this: We have in Canada altogether, in artillery, cavalry, infantry, signal corps, and everything, 870 units. In 219 of these units 24 per cent, both officers and men, pool all their pay and do not draw any of it at all. In 57 of the units the pay is pooled by the officers, while they draw nothing whatever themselves. In some other units part of the pay of the officers and men is pooled, running from five per cent to one hundred per cent. That applies to 79 units in all, and in 47 units, that is 5½ per cent, a portion of the pay of the officers is pooled; making, in all, a total of nearly 50 per cent of the militia units of Canada in which

the officers and men pool the whole or a portion of their pay. I do feel that people ought to realize that: They ought to recognize that there are men in this country just as honest and sincere in their views and just as desirous of the peace of the world as any others, who feel that they should give their time and their money in order that Canada may have, in some respects, what they consider to be an adequate defence force, and I pointed out the limitations of that force, which I do not think hon. members of this committee perhaps realize.

Now I have spoken of the general subject, and the hon. member for Bow River (Mr. Garland) asked me to give some brief particulars of the matter in connection with which there are increases. I will just run over them in the hope that perhaps it may supply hon. members with information so as to avoid discussion when the items come up; but I assure hon. members that I shall be only too happy, if they think it necessary, to give all the information which can be given in connection with them when the proper time arrives. With regard to the $100,000 increase for cadet services, I have already stated that it is required to provide for the authorization of 49 cadet units which have been organized for the past year. Sixteen of these are in the province of Quebec, which province by the way has a considerable majority of the units in Canada, and splendid units they are. The increase of $100,000 is in order to provide for the expenses of these units for the past year, and to furnish money to meet their expenses during the present year as well as to meet the normal increase in the cadet service. It is for that purpose and for nothing else.

The increase of $237,000 in connection with engineer services and works—I am mentioning only the larger items—is in order that we may do what is absolutely necessary to preserve our property in this country, and see that it does not go into absolute rack and ruin. I have had a statement prepared showing the value of the property which we have in Canada, and I find that there is 2¼ per cent, or something like that, of an allowance for depreciation in connection with the buildings which the department own. I want to say that the vote which I felt I should ask for was an amount of over $1,000,000; but I realize that the House has not been making large votes in this respect, and I endeavoured to cut it down in every way possible. Therefore the amount in question has been finally agreed upon and submitted to the House for its approval. In connection with military property—I may as well mention the fact now—I find there is a considerable amount which I think can be disposed of. I shall be only too happy to take the matter up during the coming summer, but I want hon. members of the committee to remember that although the Department of National Defence itself owns the property, the moment it is disposed of the money goes into the hands of the Receiver General. I am endeavouring personally to get in touch with the whole situation as to the property of the department, which runs straight across the country, and will then come to a sound conclusion, in the light of the best advice I can get, as to the advisability of retaining some of these properties.

With regard to general stores, the increase there is logical. It is due to the fact that the stores of clothing we had during the war are now practically exhausted, and we have to buy more. It is not because we are preparing for another war; it is only that we may have sufficient stock in order to outfit the force that we have.

The next increase is in connection with the non-permanent active militia, and the increase has to do with the training of the force. I have felt, and I think it was generally felt throughout Canada, that the most which this country can hope to do is to train a small skeleton of officers and non-commissioned officers. We cannot hope to train any more, a very large body of men, and we are not trying to do that. But we have to have enough men to make a camp, and to make it possible for officers and non-commissioned officers to train, and to have their training made effective. All over this country there are rural units that have not been to camp for two or three years. We cannot send them to camp—I am sorry the vote does not permit of that—but I am endeavouring to make some further provision so that a limited number of men may possibly be taken into camp for a short time, and hope to be able to include in that some of the rural units. With that object in view I am hoping to look over the list of units. I do not want hon. members to carry this statement home to their constituents and say that this or that unit is going to be disbanded. Whatever is done in connection with this matter, although we have a most modest force, should be done along the lines of efficiency and I would rather have an infinitesimally small force, possessing efficiency and some esprit de corps, than spread my butter too thin all over the Dominion. The increase in this vote is to have a limited

number of men in camp and make it possible for a certain number of officers and non-commissioned officers to be there.

As regards the increase to the naval service, I will give the details when that comes up. I will also deal with the vote for the air force in the same way. I will merely point out to the hon. member for Bow River that with respect to the $3,000,000 about which he is so shocked, $2,000,000 of it is taken up in the increase in the air force vote, and the greater part of it is in connection with what we call civil operations. When the time comes I will endeavour to go over these items with any hon. gentleman who cares to have the information. I have gone over them already with the officers of the department. I have had the recommendation of the civil committee on air operations, and I think we shall be able to satisfy the House that that vote is necessary and sound, and is in the interest of this country.

Now I come back to the cadet vote. My hon. friend for Southeast Grey suggests the cadet movement began with Sir Frederick Borden. But it really dates back to 1862, and at the time Sir Frederick Borden was head of the department over which I have the honour now to preside, there were 100 cadet units in the Dominion. Very soon after that what we know as the Strathcona trust, to which the hon. member for Southeast Grey referred on Saturday, was formed. The Strathcona trust was created to carry out the provisions of a trust fund established by the late Lord Strathcona, amounting first to $400,000 and afterwards to $500,000, and these were the objects of the fund as set out by the trustees:

> Not only to improve the physical and intellectual capabilities of the children by inculcating habits of alertness, orderliness and prompt obedience, but also to bring up the boys to patriotism, and to a realization that the first duty of a free citizen is to be prepared to defend his country.

I could go on and read further objects, but that is sufficient for my purpose. I am glad to say that my native province of Nova Scotia was the first to combine cadet training and physical training, and that was before the Strathcona trust was organized. Immediately Sir Frederick Borden sent out a circular under date of November 10, 1909, in which he invited the coöperation of the school authorities in the various provinces.

This circular reads:

> With regard, however, to the question of military drill and rifle practice for boys, a somewhat important misapprehension appears to exist in certain quarters, to the effect that the Strathcona Trust is designed to be used as the vehicle for the introduction of compulsory military training into the schools of the Dominion. I am directed to state, emphatically, that such is in no wise Lord Strathcona's intention, nor that of the executive council of the trust.
>
> As stated above, one of Lord Strathcona's main objects is to inculcate a spirit of patriotism in the youths of this country, together with a realization of their duty as free citizens in its defence, and, consequently, their training in the rudiments of a soldier's art is, in his opinion, desirable, in order that they may be able to give proper expression to that spirit in time of national danger; but His Lordship does not seek to insist that this military training should be made compulsory. All he asks is that the government of a province should undertake to encourage, as far as possible, the formation of cadet corps and the practice of rifle shooting in the schools under its control, leaving it to the parents themselves to decide whether their sons should join these corps. The proper military instruction and care of the cadets corps when formed is a matter which falls within the province of the Department of Militia. The Department of Militia, however, asks that the educational authorities will encourage, or, at least, place no obstacle in the way of their teachers becoming officers of their school cadet corps.

He goes on with the other conditions What was the result? I have under my hand agreements or memoranda signed by the educational authorities of every province in the Dominion except Quebec, and as regards Quebec I have under my hand the minutes of the Protestant committee of the Council of Public Instruction and a Catholic committee of the Council of Public Instruction, both agreeing to the terms and agreeing to carry them out. Quebec has made the greatest strides of any province in the Dominion in regard to this matter of cadet training. Here is a memorandum signed by the provincial authorities of Manitoba and dated at Winnipeg, March 22, 1911:

> The education department encourages the formation of cadet corps including the practice of rifle shooting under suitable conditions by the older boys, in all educational establishments under its control. A boy, however, before joining a cadet corps must first obtain his parents' or his guardian's consent.

Later the province of Manitoba sent a letter in which they said that they left it free to the individual school to make the application, but they did not in any way suggest that the terms of this agreement were to be repudiated. Further than that I may say in connection with Manitoba that Mr. Fletcher, I think the deputy minister of education, is a member of the committee of the Strathcona Trust which adminsters this trust from time to time.

Mr. WOODSWORTH: Would the minister mind reading the letter from Manitoba?

Mr. RALSTON: Certainly not. The letter reads:

I am instructed by the minister to acknowledge receipt of your letters of August 29 and September 4, enclosing copies of circulars sent out by the district cadet officer at Winnipeg under dates of February 27 and March 27, 1925: and to advise in connection with the letter addressed to the principals of schools, that we take the position that the establishing of cadet training is entirely a matter for the various school boards of the province to determine for themselves; the consent of the parents in all cases we presume to be implied; consequently exception is taken to paragraph in the letter circular beginning "The Department of Education has endorsed the movement". We kindly ask you to have this paragraph withdrawn or in the alternative, the circular to the principals in its entirety be withdrawn.

Your truly,

(Signed) R. FLETCHER,
Deputy Minister of Education.

Mr. WOODSWORTH: I think the minister would say there is distinctly a repudiation of the original agreement.

Mr. RALSTON: Absolutely not. I will quote again from the letter I have just read:

Consequently exception is taken to paragraph in the letter circular beginning "The Department of Education has endorsed the movement."

The school authorities had under their hand the agreement of 1911 in which they say they encouraged cadet training. They say now: We leave to each school to do as it thinks best. I point out further for the information of my hon. friend that Mr. Fletcher, who is the Deputy Minister of Education of Manitoba, is on the Strathcona board—which is the trust which encourages cadet training and provides grants for that purpose, and which says that the first duty a boy should be taught is to defend his country.

Mr. WOODSWORTH: Is he there as Deputy Minister of Education?

Mr. RALSTON: I understand he is. I understand three members of the committee are from the Educational department. I have from I think every other province the same sort of provision and this has worked out exceedingly well. Let me mention to my hon. friend who is interested in Manitoba the fact that in that province I think only last year two of the schools on the honour roll, not simply for Canada but for the empire, were from Manitoba. I am referring to the cadet corps. They were No. 897, the tenth Canadian Army Veterinary Corps, Cadet Corps, and No. 230, St. Margaret's Church cadet corps, Winnipeg. I am wrong in saying that they are school corps; they are cadet corps connected with those two institutions, but they are cadet corps in Winnipeg.

Mr. WOODSWORTH: Are there any cadet corps connected with the public schools in Winnipeg?

Mr. RALSTON: I have not the list.

Mr. WOODSWORTH: Is there a single cadet corps in connection with the public schools of Winnipeg?

Mr. RALSTON: I thought my hon. friend heard me. I said: I have not the list. I have no idea in the world. Perhaps my hon. friend could tell me. Further, one cadet unit in Manitoba won the Imperial Challenge Shield, another won the Governor General's trophy, and twenty schools in Manitoba were recommended for the efficiency grant of the Strathcona trust.

What is the nature of the work which is being done? The Department of National Defence provides an instructor who with the consent of the school authorities goes to the normal schools and teaches physical training to the teachers attending those schools. Those teachers go to the various schools for which they are qualified and they carry on physical training in those schools. There have been thus trained 65,000 teachers and at the present time 6,144 teachers are being instructed. That work is being carried on in every province in Canada, and of the amount which the hon. member for Southeast Grey suggests should be struck out I have counted up and I find that more than $300,000 is for the physical training side of this work. Some of the appropriation of course is a joint vote for the benefit of both the cadet training and the physical training.

Mr. WOODSWORTH: In connection with the training of teachers, I notice that in normal schools statements regarding physical exercises are signed by officers of the district. Are all the teachers taking training in the normal schools included in those who are being trained by the military department?

Mr. RALSTON: I am sure I cannot tell my hon. friend.

Mr. WOODSWORTH: The minister was speaking of the training of teachers. Does that include normal students?

Mr. RALSTON: It does. But my hon. friend asked me if all trained. I cannot tell him, except that I understand in Ontario—and I presume he is speaking of Ontario—not only do they provide for physical training of teachers but they may make grants by statute for cadet corps.

Mr. WOODSWORTH: And the normal students are included in the six thousand.

Mr. RALSTON: I assume so. These teachers are trained by the physical training instructors supplied by the department, and time and time again it has been suggested that the physical training should be taken over by the provincial authorities, but the provincial authorities realize quite clearly, I think, that it is not possible to provide the same efficiency in the matter of physical training as is provided in this way.

The hon. member for Southeast Grey held up on Saturday morning as a desirable system of physical training the Swedish system. I have in my mind the syllabus for physical training in the schools as taught by the physical instructors, and I want to assure my hon. friend from Southeast Grey that what is being taught is the Swedish system, prepared and approved by the British Board of Education, and adopted by every province in Canada.

Miss MACPHAIL: But why link it up with militarism? I want physical training, and I am not objecting to the amount of money spent on physical training.

Mr. RALSTON: I understood that the hon. member moved to strike out all but one cent of this vote, $300,000 of which is for physical training.

Miss MACPHAIL: They are so badly mixed, one cannot tell.

Mr. RALSTON: I assure my hon. friend they are not mixed in any way. I have stated what the provinces are doing. We are providing physical training, and we will encourage cadet training, and any school that wants cadet training will get it and any school that does not want it, will not get it. Any parent who wants his child to take cadet training may have him take it, so long as there is a corps in the school, and if the parent does not want his child to take it, that is all right. Speaking as one parent who had a boy in the cadet corps, I can only say that I am very proud to have had him there, and I do not feel that he received any injury from such training, but on the contrary was greatly benefited by it.

Miss MACPHAIL: Will the minister admit that the fact of the instructor of cadets receiving two dollars per head for each cadet up to fifty, and one dollar for each cadet over that number, will have the effect of increasing the numbers in the cadet corps throughout Canada?

[Mr. Ralston.]

Mr. RALSTON: I will not admit anything about it; I do not know. I would not think that the increase of $50,000 in this vote over the $450,000 which was the vote in 1923 is a very substantial increase, in spite of the inducement my hon. friend suggests.

Miss MACPHAIL: Is it or is it not true that the department is doing everything it can to stimulate cadet training throughout Canada?

Mr. RALSTON: I have no idea of what they do except what I have stated. They do provide cadet instructors, and in each district a cadet officer, who goes around to the schools where there are cadet corps. I presume they expect that the provinces will carry out their part of the bargain to encourage a cadet corps, but I have not heard of anyone being taken by the neck and forced into a cadet corps, nor have I heard of any province having physical training refused to it because it did not form a cadet corps. The provinces have got the benefit of all that, and I think my hon. friend will be the first to acknowledge that the physical training given has been splendid in every respect. That is the way this cadet corps works, and that is the service which the department performs. We are endeavouring to carry out the ideas of the founder of that trust. For myself, as a parent, I cannot see anything wrong with cadet training. I want to see every side of our national life, and I do not want to do anything which will inspire the spirit of militarism in our schools or in anybody else, but I do want to suggest that this word "militarism" has been pretty badly manhandled in this country for some time now. Militarism means the man or the country who puts the social and economic and commercial side of life second, and the military side first, and I have yet to find very much of that spirit in the Dominion of Canada. I think it is because of the free and, I think, improper use of that word, that some of us have got very far on the wrong track. I have seen the cadet corps; everybody has seen them, and I believe that the boys of the cadet corps are clean-limbed and clear-eyed, boys who would tell the truth, boys who are alert and will answer the call promptly, boys who have respect for authority and have some idea of obedience, boys who are polite. I do not think there is anything rough or Prussian—that word has been used to-day—about them. It seems to me it is pretty good training for any citizen, but any parent is at liberty to differ with me and say to the cadet instructor: I do not want my boy to take up that training. When we have

that situation, where it is optional with the parent, optional with the school, and optional with the province, and when the physical training accounts for pretty nearly three-fifths of this vote, I submit that the criticisms which have been offered have not perhaps the foundation which they might appear to have had when hon. members first addressed this House.

I just want to say, in conclusion, in connection with this whole matter that I am trying without offending the feelings of anybody to make the department as efficient as possible in a small and modest way, and I do commend this vote personally to hon. members for their support.

Mr. ROSS (Kingston): With the explanation and defence of these estimates that has been made by the Minister of National Defence I find myself in perfect accord. As one who has had actual experience of war, I want to assure the members of this House that I do not stand and speak as I shall do this afternoon in favour of cadet training because I love war. I do not at any time expect that my course will lead any boy or any citizen of this country to undertake tasks or training or sacrifice with the spirit of hate, murder or destruction in his heart. Those of us who have seen three or four years of actual warfare resent very much the words which have been used in this chamber to the effect, that these votes are passed especially for the preservation and maintenance of men with jobs. I want to say that the men at the head of that splendid Canadian corps were not experienced or practical military men. They were men who had realized in years gone by that a part of our citizenship was the necessary preparation for the maintenance and defence of that citizenship. As a member of the medical corps which in twenty-four hours had passed through its hands 5,900 wounded, it would be the last wish of mine, and I believe of the whole medical corps, that war should ever again be participated in by this or any other country. But as the minister says, we must look at these things from the practical and common sense standpoint.

We have listened to many speeches in this chamber denouncing war, but I fail to find one who has had experience in the sacrifice and has been in the service opposing the meagre amount requested by the Minister of National Defence for the protection of this country. The hon. member for Southeast Grey has been most aggressive in her opposition to these estimates, not merely this year but on many occasions. The hon. member and her supporters persist in setting up a case simply to be knocked down. I do not believe that any person connected with cadet training has any idea of making militarists of the citizens of this country, if by the word militarist you mean one who seeks war, one who seeks by hate to murder and destroy, but that is the case conjured up against cadet training by those who are opposing this vote.

The minister, I believe, went to the root of the matter when he read the Strathcona regulations stating that the object in cadet training is a twofold one. In the first place, it is to teach the boy that he is a unit of the country. This work implies a twofold duty on the country and on the men in connection with the care of boys. One is the teaching of patriotism, the idea that he belongs to a country, and the first principle to be inculated in that boy is the lesson that it is his duty to protect his country. I know no country that has ever become great, or that has ever been established as a nation of some reputation, which has not made this the primary teaching in the education of the boy. Above family, above individual interests, there is the interest of his native land, his country, and as a citizen it will be his first duty to protect that country. The next duty is that he has been given a body endowed with certain functions and it is his duty to develop that body along the best lines. I think it is accepted by every person that if we could place two schools together, one having physical training, or cadet training as they like to call it, and the other without it, the result would impel every parent in the country to ask for physical or cadet training for their boys. There is no mother that I know of who does not wish to see her boy develop physically along right lines, and if there is a defect, if there is a weakness in his respiratory tract or digestive tract, that that should be removed; and I know of nothing that will remove it so quickly as physical training. These two things lie at the bottom of all physical and cadet training. Greece, Rome and Sweden all adopted this system of training. At one time Sweden was the most militaristic country in the world. She has established herself now, she is still carrying on the training, and it is her system which we have adopted. In fact no country is so well known or highly respected for its physical training as Sweden, notwithstanding the remarks of the hon. member for Southeast Grey (Miss Macphail).

The opposition to this vote is based on something more serious than we see at first. I cannot help bringing this out, and I believe it is the duty of every member in this House to

look beyond the mere verbal opposition to these votes. There are principles deeply rooted in the systems of those who speak against it. Shriek after shriek has gone through the chamber, demanding to know against whom are we arming. I know of nobody arming in this country. I know no work of arming against any country, because I realize that every nation that has fallen has done so from causes within the nation and not from without. History has shown that those who decry their constitution and country and race, who teach the people wrong principles, who would sacrifice loyalty and patriotism, who would sell tradition and make easy the way of our enemy, are the people we fear most in regard to all our considerations of defence. Those are the people who are ready to open the doors for our enemies, to lull to sleep public opinion, and it is now time and I believe this is the place to speak about it. If the present Minister of National Defence had been in this House during the last four years he would have found a spirit with which he could not have agreed, and I am glad now that one with experience and one who seems to have some weight has come forward to improve conditions as they exist in this country.

I should like to draw attention of the members of this House not only to speeches which have been made in this chamber, but also to a matter which has been much talked of in this country within the last few days. I refer to a letter which has been written, and which profoundly affects this subject, because this is the kind of insidious secret work that tends to destroy national spirit and to interfere with those who would like to protect their country and their native land. I propose to read this letter clause by clause.

Progress reported.

SUPPLEMENTARY ESTIMATES FOR 1927-28

A message from His Excellency the Governor General, transmitting supplementary estimates for the year ending March 31, 1928, was presented by Hon. J. A. Robb (Minister of Finance), read by Mr. Speaker to the House, and referred to the committee of supply.

SUPPLY

The House again in committee of supply, Mr. Johnston in the chair.

The CHAIRMAN: It being six o'clock. I do now leave the chair.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. ROSS (Kingston): Mr. Chairman, when the House rose at six o'clock I had expressed my complete agreement with the words of the Minister of National Defence (Mr. Ralston); I had approved of the spirit of the Strathcona trust fund and of the two principles which underlay the granting of that fund, namely, the inculcation in our youths of the spirit of patriotism and loyalty, the willingness to sacrifice themselves if necessary in the defence of their country and the willingness to develop their bodies and minds, which are claimed to be the results of cadet and physical training.

I had also dealt with the speeches delivered in this connection, and had expressed my opinion that there was something behind the verbal opposition to these grants. While we admit and grant to every person the privilege of their own opinions so far as service to the country is concerned, yet we do not grant the privilege of interfering with and taking unfair advantage of our young people. In this connection I made mention of a letter which was sent to me by a lady in the constituency of Southeast Grey, which letter I intend first to read and then to analyse. The letter is dated Ottawa, March 28, 1927. and is as follows:

Dear Teacher and Pupils:

This letter we will talk about the Chinese war. The Chinese use a great deal of a drug called opium. It is a very bad drug, much worse than liquor on the person who takes it. It gives them pleasant dreams; they live in a sort of a dream world, and are very happy, but when the influence has worn off they are nervous wrecks, and are sick. Then they want more opium to make them nice dreamers again, and if they do this thing for some time, it spoils their health, and they are not any good for anything. There was a war in China between 1839 and 1842, which is called the Opium war. The Chinese wanted to make the use of opium in China illegal, to keep it out of China, but Great Britain insisted that the Chinese government make the use of opium legal, because Great Britain own India and India sells opium to China. This made the Chinese angry. Then, too, nearly all the great ports where the big ships come in are controlled by Great Britain, or some great power like Japan, and in these Chinese cities the Chinese have no vote. The police are foreigners, the "whole show" is run by people who are not Chinese, and the Chinese have no rights.

The Chinese revere their dead, and their graveyards are a very sacred place. When western civilization came they ran railroads through the graveyards. This made the Chinese mad; and caused them to rebel. This rebellion was called the Boxer rebellion. The Chinese were defeated in this rebellion, and made to pay money called an indemnity, and Great

Britain, to make sure she got this money imposed a five per cent tax—that is, five cents on the dollar—on goods coming in. This is called customs tariff. She always controls the post offices.

Many countries, Japan, Great Britain, and before the war, Germany, had factories in the big cities of China. The living conditions in these factories are horrible; the children work as young as six years, and are often hurt and killed. The Chinese government can do nothing because these are European factories and the owners of the factories will do nothing. A group of Chinese students walked the streets of one of their big cities about a year ago as a protest against the awful conditions of the children in factories, and the British police shot them down. You can quite easily see how all these things made the Chinese determined to put the British out of their country to bind their many provinces together in one federal government, to control their own customs, tariff and their own post offices, their own railways, etcetera. Russia, seeing that a rebellion was coming in China, wisely gave up all her rights within that country, and the Chinese are very grateful. There is little doubt that Russia is urging the Chinese to rebellion, but the conditions in China are so bad that one cannot wonder that these people rise in rebellion. Germany used to have much control in China, but according to the peace treaty of the Great war, she was forced to give up her privileges. I wish very much that Canada, who is a member of the League of Nations, would protest against what has been done in China. We have a right to try to stop anything that is breaking the peace of the world. We must remember that it is only a few very rich people in England who want to do these dreadful things in China, that most of the British people are very sad and grieved over what is being done, and that meetings are being held there in protest and some of the leading papers are saying that the action of the government and the big interests is all wrong and so we are in good company if we do say that we think the Chinese are being unfairly treated.

Many of the patriotic Canadians say over and over again, "We want Canada for Canadians". Then, if that is true, why do we not want China for Chinese? We send missionaries to teach them of Jesus, and his love, but unless we love them and act toward them as brothers, how can they know that we believe in Jesus and his love to all.

Thursday was my birthday and I had a lovely birthday party. We have two hours for dinner between six and eight. I had a party of fourteen. I got lovely flowers, three dozen roses, three boxes of candy, some nice maple sugar, hand-kerchiefs, and all sorts of good things.

I had a very gay time. My office has been much brighter with the flowers. The gardener of the House of Commons keeps flowering plants on my window, but the roses are even more beautiful than they are.

I must close for this time.

AGNES C. MACPHAIL.

Now, Mr. Chairman, I have read that letter in its entirety, and I would ask you to study it. Read it over clause by clause, and paragraph by paragraph, and what do the contents of this letter constitute? Nothing more or less than a direct attempt to defame Great Britain.

Mr. WOODSWORTH: Nonsense!

Mr. ROSS (Kingston): Nonsense? Before I am through I will prove my assertion. It is nothing less than a distortion of historical facts, and I know nothing worse than to place such a distortion before pupils in order to give them a lesser opinion of their race, of the constitution under which they live, and of the empire with which they are connected.

Now I want to take this letter up paragraph by paragraph. The first paragraph deals with the Chinese war, and it goes back to the time of 1839 and 1845, and to a war to which the name "opium war" is given. Now there are none except those who wish to strike at and injure Great Britain who will call that war the "opium war." There is just enough truth in it, it had just enough connection with opium, to allow some person to make the statement without being open to the charge of asserting a complete untruth, and I want to give the facts as far as I can take them from history. The issue is one of Chinese cosmogony more than anything else. It is claimed by the Chinese that the emperor and his immediate advisers are direct sons of heaven, and when a request was made by outsiders to trade with their country, the Chinese took the attitude that trade was an inferior thing for them and they could not touch it. "Therefore," they said, "you must not go near Pekin; you must stay and trade in Canton, the farthest city away from Pekin, where you will be under the Canton officials."

The second issue in the war was this: There was a claim for port rights, and for the regulation of ports. The right to trade was granted. Before the British came there were Portuguese and there were Dutch trading there, but they had never been able to secure what they called treaty rights. There was also some demand for a schedule of customs. Up to this time it was up to the Canton officials to put on any customs duty they liked; to enforce a certain tax against a nation one day, another the next day or the next week to apply a different one. There was also the question of extra territoriality. That means that the Chinese demanded the right to try a British subject, or any foreigner who was in that port. There is a very celebrated case of where a salute was being fired and a gunner was charged with having killed a Chinaman. The Chinese demanded that this gunner be brought before them. For some time their demand was resisted, but under duress Captain Elliott, a very weak official who was in charge of British affairs in Canton at the time, handed this gunner over to the Chinese, their demand being that he should appear before them and offer an explanation. What was the result? The gunner was immediately

strangled. From that day Britain adopted a different attitude anad never permitted any British subject to be tried by Chinese authorities. She was not autocratic about this because she accepted the situation later and said: "If you will establish Chinese courts, and will satisfy us as to the fairness of those courts then we have no reason to oppose it." These were the questions that brought on this war. But opium played some part in the matter. For years opium had been brought into China from India, not by Britain only but by the Chinese themselves. For every British vessel there were thousands of Chinese vessels engaged in the trade. Many long years before, there had been a law passed against the importation of opium but here was the situation: Opium was being brought in, not by the British but by their own people, and the son of the Canton governor was the biggest bootlegger in the business at the time.

Mr. PARENT: I should like to know if this discussion is in order. What connection has the situation in China got with the item we are discussing just now?

The CHAIRMAN: If I am asked to give a ruling, I certainly must rule that the discussion is not in order; it has no relevance whatever to the item now before the committee.

Mr. ROSS (Kingston): I take this stand that there was insidious, secret work being done against the passing of these votes, and one of the worst features that I know of in connection with it was the circularization of this letter. I contend that this is absolutely relevant to the subject under discussion.

The CHAIRMAN: Well, the rule is very explicit. Subsection 5 of rule No. 13 states:

Speeches in committee of the whole must be strictly relevant to the item or clause under consideration.

Mr. ROSS (Kingston): Very good. Now then, Mr. Chairman, we are dealing with military estimates are we not?

Mr. STEVENS: Regarding the question of order, the rule, if strictly interpreted, might apply, but I would call your attention to this—that the hon. member for East Calgary (Mr. Adshead), the hon. minister himself—I think quite properly—and other hon. members have been speaking in general terms of the estimates. I think there has been a rather tacit understanding that the discussion of all the estimates should take place on this item. It would seem to me to be rather unfair to rule my hon. friend out of order now after others have taken advantage of a general discussion and introduced matter which is of a very serious character.

Mr. PARENT: The Chairman having given his decision, I do not think it can be discussed.

The CHAIRMAN It is not the desire of the Chair to restrict debate in any sense. But when I am asked for a ruling I must decide in accordance with the rules. If it is the desire of the committee that the remarks of all the speakers should be strictly relevant to the matter before the committee, my hon. friend is certainly out of order. Up to the present time the scope of the discussion has been very wide, but it is for the committee to say whether they want to continue to extend such latitude.

Mr. ROSS (Kingston): Mr. Chairman, the question was asked: Against whom are we arming. I am endeavouring to answer that question and my remarks are strictly relevant to the military estimates.

Mr. SPENCER: Will the hon. member permit me to ask a question. He says that there is a secret, insidious propaganda being carried on.

Mr. ROSS (Kingston): Yes.

Mr. SPENCER: Do you mind saying what the secret propaganda is?

Mr. ROSS (Kingston): I am dealing with it.

Mr. SPENCER: What you are dealing with is of a public character.

Mr. ROSS (Kingston): What I am dealing with is a wrong instruction given to the children in the schools, a distortion of historical facts, simply to aid opposition against these estimates.

Mr. SPENCER: It certainly is not secret; it is public.

Mr. ROSS (Kingston): The whole letter is an endeavour to prevent children from joining cadet organizations. I am trying to prove that in this letter history is distorted, and in contradiction of the statement made in the letter that this war was one of opium, I have simply to read Queen Victoria's letter to the Emperor of China on the subject.

Mr. PARENT: I rise again to a point of order. That has nothing to do with the item under discussion.

Mr. ROSS (Kingston): The Queen of England in her letter to the Emperor of China states:

The Queen of England desires that her subjects who may go into foreign countries should obey the laws of those countries; and Her Majesty does not wish to protect them from the just consequences of any offences which they may commit in foreign parts. But, on the other hand, Her Majesty cannot permit that her subjects residing abroad should be treated with violence, and be exposed to insult and injustice; and when wrong is done to them, Her Majesty will see that they obtain redress.

That is the reason for that war of 1839-42. Great Britain realized and took the position that her subjects must be protected wherever they were. Those who wish to strike Great Britain call this an opium war, but in the treaty settling that war there is not one mention of opium and there is not one reason for calling it an opium war. Therefore I would say that the first paragraph of the letter is absolutely misleading and is a half truth which is more destructive to children than an untruth.

Let me deal with the next clause of this letter which is another endeavour to keep children from having any sympathy with cadet movements. She says:

The Chinese revere their dead, and their graveyards are a very sacred place. When western civilization came they ran railroads through the graveyards. This made the Chinese mad; and caused them to rebel. This rebellion was called the Boxer rebellion.

This is another distortion of historical facts, another attempt to mislead children's conception of Great Britain, to lead them away from any sympathy, loyalty, or patriotism in serving their country. As regards the question whether the Boxer rebellion was due to railroads being built through graveyards, I want to read from the Story of the Nations, the History of China. In this book it will be found that at this very time the Dowager Empress of China was in charge of affairs in Pekin. She was well known as being antagonistic to the foreigner, and it was her wish to get rid of the foreigner, to get him out of China. She was looking around for some reason and this is what is stated:

The Chinese have no notion of declaring war on a question of policy. They prefer the more subtle method of instigating banditti to attack the foreign settlements, in the hope that in the consequent confusion they may find their opportunity. . . . . On this occasion the lot fell on the "Boxers" or "Fists of righteous harmony".

We have heard a great deal this afternoon about preventing arming and preparation for war. This was a society arming and preparing in their own way in China:

The Boxers were, therefore, a fit instrument for the Empress' use, and after making full and exhaustive inquiries as to their numbers, equipment, and the sincerity of their professions, she determined to employ them.

The empress determined to employ the Boxers only in an attempt to get rid of the foreigners in China, yet we are told that the Boxer rebellion was a protest against the building of railways through graveyards. What happened? The empress told her officials to be sympathetic to the Boxer associations. As a result, with that declaration they began to march on Pekin. What happened? Under pretence of opposing their march on Pekin, the loyal troops were sent out and as soon as the loyal troops met the Boxers, they immediately fell in with the Boxers and marched on Pekin. What was their object? It was to attack the foreign residences in Pekin and nothing else. That was the cause of the army and of the expedition sent against the Boxers in China, and yet we are told that the cause of it was the building of railways through graveyards. Not only Great Britain but all foreign nations who had interests in China joined in this expedition: it was an international affair. The letter states:

This rebellion was called the Boxer rebellion. The Chinese were defeated in this rebellion—

It was nothing but their own troops, the loyalist troops joined with the Boxers.

—and were made to pay money called an indemnity, and Great Britain, to make sure she got this money imposed a 5 per cent tax.

One would think from this paragraph that Britain was there to impose a tax for the purpose of getting money. I want to quote an explanation of that, just with the intention of contradicting this paragraph and proving to the committee that it is nothing but a distortion of historical facts. I read this from China and The Powers. Mr. Norton, an American, writing on this question and the supposed cause of this war, deals with it as follows:

Whatever the moral questions might be, the result embodied in the treaty of Nanking in 1842 was the opening to foreign trade of Canton and four other ports, including Shanghai, the cession of the barren island of Hong Kong to Great Britain, and the agreement that China should levy a 5 per cent tariff on both imports and exports. As the 5 per cent provision still left room for bargaining as to the value on which the 5 per cent was to be levied, a schedule was drawn up of the specific duties collectable on all articles of trade. This was the beginning of the conventional tariff".

Mr. WARD: Mr. Chairman, you ruled some little time ago, and yet the hon. member continues to read ream after ream of what, by any stretch of the imagination, is entirely irrelevant to the item before the committee.

The CHAIRMAN: In my opinion the point raised by the hon. member is well taken. Further, in my humble judgment no one discussing this estimate has gone so far afield as has the hon. gentleman who has the floor. I would again draw his attention to subsection (5) of rule 13 which states:

Speeches in committee of the whole must be strictly relevant to the item or clause under consideration.

Mr. ROSS (Kingston): The item under discussion is cadet training. There is an attempt throughout this country to mislead the children of our schools and to prevent them from joining or having any sympathy with cadets corps. I have been dealing with a letter written to all the schools in a certain constituency with the intention of encouraging this opposition. In that letter it was pointed out as a reason for preventing children from joining or having sympathy with cadet corps, that there were in China factories in which children under six years of age were employed and that these factories were all run by Great Britain; that as a result of that certain students in protest marched through the streets and Great Britain shot them down. This is an absolute distortion of historical facts made apparently with the deliberate attempt to mislead the judgment of the children, to wean them away from a spirit of loyalty and patriotism, which is a spirit that should be encouraged in this country and not destroyed. I say that those students were not marching there in protest against child labour in British factories, but they were marching in protest against the killing of a Chinese by a Japanese citizen, and in marching through the streets they took occasion to make themselves obnoxious to the British section of that city. The whole letter I might say is a continued distortion of historical fact, in order to warp the children's minds and to wean them away from a sympathetic relationship with Great Britain and the empire generally.

There is also an attempt in this letter to lead the children to believe that only the influence of the rich counts in Great Britain. There is no attempt to justify the position in which Great Britain found herself in China, which was this: Great Britain was the champion of all the foreign elements in China, and she had to take upon her shoulders the burden of the whole situation. I think Great Britain came out of it with great credit to herself, because not only did she establish in China a customs tariff that was fair to all, but she insisted upon the post office administration and revenues being entirely under Chinese rule. But those facts which are creditable to Great Britain have not been touched upon in this letter. On the contrary, anything discreditable that can possibly be laid on the shoulders of Great Britain is mentioned, to wean the sympathy of the children away from Great Britain. So much for this attempt, which I believe will be resented throughout the Dominion just as much as it was resented by this lady who sent the letter to me, and who believes that this House is the proper place to deal with this matter. In my opinion the permission of the school boards should first have been obtained before this letter was allowed to be read in the school by teachers.

I want now to take up in general some statements that have been made in this debate. It has been said that men whose jobs are in this movement are at the bottom of the demand for these estimates and for this cadet training. I want to say to this House that soldiers and trained men are the last people in the world to cause any war. Wars, we know, have been caused by politicians, not by soldiers and trained men. It has also been pointed out that England was prepared in the last war. How well prepared was England in the last war? If it had not been that all the nations joined together against the enemy, preparation would have won out. England was not prepared, and for that want of preparation 100,000 trained men laid down their lives in an attempt to stay the onrush of the enemy until some kind of training had been done.

It has also been asked, what has war ever done for anybody? Well, we might go back to Britain, and say that in Britain's wars she has established liberty and equality in most parts of the world. We can say also that there are some wars which have been brought about for religious and moral reasons. The Covenanters fought for moral and religious reasons, and secured results satisfactory to them. Cromwell fought for moral and religious reasons, and won out. Again, a great war was fought in the United States for the abolition of slavery, and I do not believe that that fight could have been won in any other way.

In conclusion, I want to point out as a reason for passing these estimates the new position in which we now find ourselves. We are asked to expend a small amount here in the way of the defence of our country. It has been declared by the last Imperial conference that we have an equality of status with Great Britain and every other dominion in the empire. Now if we are the equal of every

member of the empire, then we are all equally responsible for the defence of the empire. I do not hold with some criticisms that have been made of the premier of Australia and others who have come to Canada and made speeches in this country. I think it is up to us to-day to ask the Prime Minister of this country, and I think it is up to every member of the empire to ask the Prime Minister and the government of Canada, what is our position at the present time with respect to empire defence. If we are to continue to reap the benefits of our empire connection, have we no responsibility for the maintenance of the empire? Have we not some little share to take in the protection of the interests of this empire and the lives of our citizens? I very much disagree with those who would look to the United States or to the Old Country for our defence. I do not think that is a satisfactory training for our children. I think we had better get back to the old principle that we are in the empire, that we belong to the races which make up the empire, and that we must take our share of responsibility for its defence. I hold that this government, in view of that declaration of equality of status, should satisfy the people of this country and the other members of the empire as to what our position will be in regard to the defence of the empire, and if that is done I think that the majority in this House will be, like myself, in accord with the Minister of National Defence, believing that we are only doing our duty in assuming the training of some part of our citizenship in the protection of this country and of the empire. I would regret if we ever lost sight of that first principle, and that a child should fail to realize that he belongs to a country, and that his first duty is to defend that country, because that is the basis of all these estimates; it is the principle upon which they are founded. I am sure that we will do credit not only to ourselves but to posterity and to our ancestry if we take upon ourselves this responsibility.

I am glad that the minister has placed upon Hansard the work that the province of Quebec is doing in this direction. Some three or four years ago I spoke on this matter, and I was very glad to see the excellent display made by the boys. I am sure there was no attempt to instil into them the principles of hate or the desire to kill their fellowmen or destroy the property of others. No, they were taught that they belonged to this country, that their home and their work was here, that their fathers and their mothers were here before them, and that in the interests of their ancestry they should be willing to take upon themselves some share in the defence of this country.

Miss MACPHAIL: First I would like the Minister of National Defence to know that I, and I am sure that in this I am speaking for other hon. members, have the very greatest respect for him personally. We all admire his ability and his sterling qualities of character. I feel that he is a man who will be well known in Canada in the days that are to come. Indeed, I think he is too great a man to administer the sort of department he has been asked to administer.

I remember reading an article written by Mr. Lloyd George describing events just previous to the outbreak of the war in 1914, in which he said that the military machine was relentlessly driving the politician towards the abyss and that the politicians were quite helpless. When I allude to the military machine I do not for one moment wish to be understood as referring to the Minister of National Defence (Mr. Ralston): He is capable of better things than managing the Department of National Defence. When reviewing the facts he said that we must not attack him, and that he was taking the advice of some of the officers in his department. Now, after his statement we must not be led to think that the word "democratic" is what it is commonly thought to be. We must not assume that policy will change when the government changes. We cannot change things in the Department of National Defence by putting one government out and another in. It is the permanent officials in the department who frame the policy, and they are not responsible to the people. These permanent officials are not of half as much consequence as they think they are. I say that with all understanding of the seriousness of my words. If we have a democracy then it is the voice of the people of Canada that should count, and not the voices of two or three people in the department who urge certain things upon the minister which he himself says he does not like. I am glad that the minister has made that statement. I thought he said that I was not correct in stating that Sir Frederick Borden instituted cadet training. Will he agree that this matter was not mentioned by statute until Sir Frederick Borden became Minister of National Defence.

Mr. RALSTON: I do not think that statement is correct. I have before me the statutes previous to that, and I think my hon. friend will find it in the Militia Act previous to that time.

Miss MACPHAIL: Mr. Macdonald said not.

Mr. RALSTON: My hon. friend will find that in the regulations and in the order in council in 1879. I have one of them here, regulations and orders of the militia of Canada, 1887. There are some considerably earlier than that.

Miss MACPHAIL: Since the letter I have written to the school children in my constituency has been placed on Hansard and an attack made upon it, may I make a reference to it now? Whether the hon. member for Kingston (Mr. Ross) was in order or not, I have a right to reply to the attack made upon me and to make a reference to the letter I wrote to my constituency. First, however, I want to thank the hon. member for Frontenac (Mr. Edwards) and the hon. member for Kingston for the courtesy they have extended to me in giving equal rights in this House, because I desire that women have equal rights in regard to criticsm, equal rights in matters of abuse, as well as equal rights in the best things of life. May I tell the House now how that letter came to be written? When I came here in 1921, fired with zeal in the service of my constituency, and finding that the wheels of justice turned very, very slowly—one might say provokingly slowly—and seeking for some way to help my people, I thought of trying to inform the children in school as to what went on in this House and I wrote a series of letters—I am not sure of the number, possibly twelve or fourteen—discussing government matters and the form or government we have in Canada. Whether the letters were good or not is not for me to say, but normal schools in Ontario have ordered them by the hundred from that time to the present, and I have been asked by teachers to put them in book form so that they might be used in the public schools. After finishing that series of letters I did not do much in that line, in fact I did not write a letter last session or the session before last, and during my campaign last year many teachers said to me: "If you are elected I hope you will write some letters again. We like them so much." I wrote one letter this session previous to the one under dispute—quite a lengthy letter, dealing with two subjects altogether unrelated. I told them about the new Governor General and his wife, how very much I liked them, and the impression I received when I was entertained at Rideau Hall. If hon. members do not believe me I can quote from a letter from one of the school children. I received dozens of them. The child said he was pleased to think my impression of the Governor General was so good, and he said:

I am glad the Governor General is a fine man and that you like him.

I was patriotic in that one thing anyway. The letter proceeds:

I hope the bill passes about the soldiers' farm lands, because it is much needed.

Then he said he hoped I had a good time when I entertained some little girls at dinner which I had told about. I described my visit to the penitentiary. Unless I tell hon. members about the work I carry on in my constituency, it may seem odd to them that I should deal with such a thing as a birthday party, but I know children, and I know they enjoy hearing of a birthday party. In the last letter I said that I had covered the form of government thoroughly, and there seemed to be so little in connection with parliament to talk about that I would be glad if they would suggest subjects for me to write about. I got ten or twelve letters suggesting that I should tell them what I thought about the Chinese war. I had not thought of it until it was suggested by letters that I received from my constituency. However, I must tell hon. members the whole thing, so that they will understand the matter. I sent them a little poem about two roosters having a fight and I suggested it was a very good thing, if two people wanted to fight, to let them fight it out and let the rest of the people alone. A little boy named John McMillan said, "I liked the poem; I thought it referred to the Chinese trouble, and would like to know what you think of it? That is the reason I wrote the letter. I have no apology to make for that letter. There may be one or two inaccuracies in it in detail, but it is substantially correct, as I hope hon. members will realize shortly. The hon. member for Kingston does not want to call the war in 1839 and 1842, the opium war. In the Encyclopedia Britannica, volume 6, page 199, it is indexed under the "Opium War." I want, however, to go into it more fully. In 1830 permission was given by the Lieutenant Governor of India to extend the cultivation of the poppy with a view to increasing the supply. This alarmed the Chinese emperor of that time. He knew it was a growing evil in his country, and he instructed Commissioner Lin to go from Peking early in 1839 to Canton, and his orders were to get rid of the opium evil. Mr. Lin did go there, and he took from the British merchants 20,283 chests of opium and destroyed them. This led to the war. I will quote from Black Opium, a book

by the Rev. Eric Lewis, B.A., published by Marshall Brothers, Limited, London and Edinburgh. At page 21 they give this story, which I have told in briefer form, and then they cite several great British authorities. Dr. Arnold said:

> This war was so wicked as to be a national sin of the greatest possible magnitude.

Mr. Gladstone denounced it in these words:

> A war more unjust in its origin, a war more calculated to cover this country with permanent disgrace, I do not know and I have not read of. The British flag is hoisted to protect an infamous contraband traffic; and if it was never hoisted except as it is now hoisted on the coast of China, we should recoil from its sight with horror.

Those are strong words from Mr. Gladstone. Mr. Lewis goes on to say:

> This, our first war with China, has been justly called "the opium war", for the opium traffic was the prime though not the only, cause.

Let me give the committee one more authority. Sir R. Alcock, who was the British ambassador to Pekin soon after, was a witness before the House of Commons East India finance committee in 1871, and in the report of that committee at page 283 I find these words credited to him:

> We forced the Chinese government to enter into a treaty to allow their subjects to take opium.

I think that about proves my point. But that was not the only war. There was a second and a third opium war. I am going to quote only one authority in regard to these, Lord Elgin. He conducted these wars, and of the second he wrote in his personal letters in very frank terms. Under date of December 22, 1857, I find the following:

> When we steamed up to Canton and saw the rich alluvial banks covered with luxuriant evidences of unrivalled industry and natural fertility, I thought bitterly of those who for the most selfish objects are trampling underfoot this ancient civilization.

On December 9 he wrote:

> Nothing could be more contemptible than the origin of our existing quarrel. . . . I have hardly alluded in my ultimatum to that wretched question of the "Arrow" which is a scandal to us, and is so considered by all, except the few who are personally compromised.

On December 25 he wrote:

> Canton doomed to destruction, through the folly of its own rulers, and the vanity and levity of ours.

On August 30 he wrote:

> This abominable East; abominable not so much in itself, as because it is strewn all over with the record of our violence and fraud.

And under date of November 6 he wrote:

> In our relations with China we have acted scandalously.

An hon. MEMBER: That will hold them.

Miss MACPHAIL: I hope so. I am quoting now from the New Leader of January 25, 1927. Speaking of this opium evil, it says:

> The foreigners are entrenched in the treaty ports where they live under the protection of a system of injustice euphemistically termed extra-territoriality.

That quotation relates to the close of the opium war, which was terminated by several treaties. These treaties opened up what are now known as the treaty ports. Possibly it is worth pausing to say that the same treaties that legalized the sale of opium gave privileges for the "propagation and practice of christianity."

Mr. ROSS (Kingston): May I ask the hon. member in what part of the treaty can she find the word opium?

Miss MACPHAIL: I am not quoting from the treaty. I can quite understand that the people who were instrumental in bringing about the war would keep the word out of the treaty. That would not be hard for them to do.

Mr. ROSS (Kingston): If that was the whole subject matter of the treaty would not opium be mentioned therein?

Miss MACPHAIL: It was not the whole subject, but it was the prime reason for the war. I am sure it must cause everyone who believes in christianity to blush with shame to think that the same treaty dealt with these two things: legalizing the opium traffic and the teaching of christian doctrines.

Mr. ROSS (Kingston): Will the hon. member mention the clause in the treaty which legalized the opium traffic?

Miss MACPHAIL: All the authorities on the question agree that the treaty legalized the opium traffic. I have not the treaty under my hand.

Mr. ROSS (Kingston): Mr. Chairman, I would insist—

Some hon. MEMBERS: Order.

Mr. ROSS (Kingston): I would ask the hon. member to read the treaty clause dealing with opium.

Some hon. MEMBERS: Order.

Miss MACPHAIL: I am not quoting from the treaty, I am quoting from authorities deal-

ing with the subject of legalizing the sale of opium in China. As I stated a moment ago, the teaching of christianity and the sale of opium were included in the same treaty, Rev. Mr. Lewis, author of Black Opium, quotes from official documents. I wish to quote for a moment from British Imperialism in China, a small volume published last year by the Labour Research Department. It can be procured at 162 Buckingham Palace Road, London.

An hon. MEMBER: A good road.

Miss MACPHAIL: Yes, it sounds patriotic. It says:

> Through the indemnities imposed on China for her feeble resistance to these attacks, a load of debt had been imposed, and foreign officials had been appointed to collect customs duties to meet the interest due. The foreign communities in the treaty ports established rights of extra-territoriality; they administered the local government, had their own police, and established their own assessors in the law courts; after 1912 the mixed courts became practically foreign institutions, even the Chinese representatives being appointed by the foreign authorities. The Chinese had become in effect a subject race.

It is said that at Shanghai, one of the treaty ports, there is a park at the entrance of which is displayed this sign:

> Chinese and dogs not admitted.

One can imagine how we would feel if before one of our parks we saw a notice warning us:

> Canadians and dogs not admitted.

The treaty that closed the first opium war was called the Treaty of Nankin, 1842. By it China had to pay $6,000,000 for the cost of the opium destroyed, $12,000,000 for the expense of the war, and $3,000,000 for debts due to British subjects, in addition to $6,000,000 already paid for the ransom of Canton. Hong-Kong was ceded to us for refitting ships, and four additional ports were opened to trade. In the New Leader of September 17, 1926, Bertrand Russell in an article, The White Peril in China, says:

> The extent to which China has been deprived of independence is not always realized. Let us illustrate it by an analogy. Suppose the Germans had won the war, and had compelled us to sign a treaty giving them the city of London, control of the railway from London to Harwich, the right to garrisons at Reading and Oxford as "treaty ports", the exclusive administration of the business quarters in Glasgow, Liverpool, Southampton, with a score of other ports, and the right to determine import duties, collect the customs, and hand over the proceeds only to such governments as they approved of, and to decide all disputes between Germans and British by German courts. This would represent fairly accurately the state of affairs which Europe and Japan have created in China. I think that even the present cabinet and foreign office would be found among the patriots if that were the condition of England.

I am sure that even the member for Kingston (Mr. Ross) would be found amongst the patriots if that were the condition in Canada.

In regard to the Boxer rebellion, it is said I should have guarded myself by saying that it was really a civil war rather than a rebellion. How could it be a civil war with foreign powers backing one faction and exacting very heavy indemnities from the section whose army was defeated? I cannot see why we should call it a civil war. It is as true to say that crossing sacred ground with railways aroused the Chinese populace to anger as to say that the Boston tea party was the cause of the American revolutionary war, or that the greasing of bullets with cows' fat was the cause of the Indian mutiny, or that slavery was the real cause of the Civil war. There is no doubt that the Chinese were ignorant and that they did not understand the real causes of the war, but I may say to this House that the people of any country never understand the real causes of a war while that war is proceeding. There was a huge indemnity exacted from China after the Boxer rebellion, amounting to £67,000,000.

Mr. YOUNG (Weyburn): Will the hon. member permit a question? In the opinion of the hon. member, would these indignities have been heaped upon China if she had been in a position to defend herself?

Miss MACPHAIL: No, I do not think so. But I think that if Great Britain had been as anxious about her Christianity as she was about the opium,—not all of Great Britain, but the ruling faction—China would not have had to defend herself while trying to get rid of something harmful to her own people. Who gave us the right to trot around the world settling the difficulties and quarrels, or imaginary difficulties, of the different countries? I have often wondered about that.

It was not at that time that the five per cent customs tax was imposed, but rather that the foreign powers undertook the administration of the customs after the Boxer rebellion. They collected the customs and used the moneys thus collected as a guarantee of the indemnity, turning the surplus over to whatever governmental body they chose. By controlling the customs they controlled trade; they would not allow an increase in that

tariff. Fancy how the hon. member for Frontenac-Addington (Mr. Edwards) and the hon. member for Kingston (Mr. Ross) would feel if the United States controlled our customs tariff and would not allow us to raise it higher than five per cent. In the Western Producer of January 27, 1927, which is published by Harris Turner, a returned veteran and a well known Canadian who gave his sight in the service of his country, and who could scarcely be called anti-British, appeared the following article:

The Boxer war ended with the occupation of Pekin by allied forces for a period of one year and the extortion of enormous indemnities extended over forty years. The payment of the indemnity was guaranteed by the institution of a foreign controlled customs service; surplus funds being handed over to the central government. In addition to the Boxer indemnity, various foreign loans have been secured against customs receipts.

The hon. member for Kingston had scorn in his voice when he said that in my letter I stated that living conditions in the factories were horrible. On this point I wish to quote at some length from the *Globe* even at the risk of wearying the House; I do not weary it very often. The Globe is now very much interested in my letter, and I want to recall the things it printed in earlier days. The Globe of March 5, 1923, contains the following:

A hopeful sign in China is the demand of the Chinese Chamber of Commerce in Shanghai for higher standards of human welfare in industry. The chamber urges all firms and factories to employ no children under twelve, to permit one day's rest in seven and to safeguard the health of the workers by limiting working hours, improving sanitary conditions and installing safety devices for machinery.

Then they quote from Doctor Sherwood Eddy, as follows:

There are at least fifty cotton mills around Shanghai and more are going up. Thousands of children down to the age of eight or nine are employed. Little girls, eight or nine years of age, were standing between double rows of whizzing, unguarded machinery, steadily but wearily feeding the machines. One mite, perhaps eight years of age, was curled in an exhausted heap on the cement floor sound asleep. Over in a corner, under a pile of waste, a tiny baby was spending the night, while his mother worked at a machine near by. . . . In one small hospital there were one day this winter three children under ten years old. The arm of one had been caught in an unfenced machine and was all but torn off. The leg of another was smashed from hip to ankle by the teeth of a machine. The third, a little girl, had been caught by the hair in her machine and her scalp torn off. Not one of these accidents would have happened had the machines been fitted with safety devices. Most of the accidents happen in the night shifts, between two and four in the morning. Such are the terrible conditions in Chinese industry.

Then the Globe continues:

At Chefoo, where 17,000 women are engaged in the hair-net industry, the wage is six cents for a ten-hour day. In the forty pongee silk factories in the same city 26,000 men and boys work a thirteen-hour day for the same amount. Only Christian employers close their mills on Sunday. At Tientsin 15,000 boys in the weaving factories work an eighteen-hour day, from 5 a.m. to 11 p.m., the majority receiving no pay but their food. In the match-making industry in the city, eighty little workers must go to the hospital each day to be treated for the effects of cheap phosphorus and sulphur on the lungs and eyes. Better chemicals would prevent this, but profits would not be so great.

It is difficult to believe that a century ago, in the first stage of the industrial revolution, conditions in Great Britain were little better than in China to-day. There are few more poignant chapters in history than the victimization of British children by the rise of the steam engine and of mechanical invention. The abuses were gradually abolished by the public conscience and the growing power of labour organization, but such forces are still weak in China. The chief hope for the present generation of Chinese workers will come through international effort. The movement set on foot by the League of Nations for equalizing, so far as possible, labour standards throughout the world has borne fruit already in Japan and India, though the state of things in these countries is still deplorable. It is in the interest of all nations that industry in no nation shall be built on sweated labour. Economic and humanitarian reasons join in demanding the protection of the oriental labourers against the application of western industrialism without the safeguards that western countries have found it necessary to devise.

Then I come to the incident of the shooting of the Chinese students; this was just a year ago, and I think we can all recall it. The Chinese students were protesting by a peaceful parade against conditions to be found in Japanese factories, and they were shot down by Indian Police on the orders of British officers. The Indian police certainly would not have shot them down had it not been for the orders of their officers, so I think I am not very far from the truth when I say it was the British police. I was in error, however, and I very gladly accept the correction. An inquiry was made into this shooting incident, because the Chinese made a charge that they had been shot down, which charge was found to be substantiated in a very long account which is to be found in the London Times of June 16, 1925. This covers several pages and any hon. member can verify what I have said by reading it.

Much more recently than that, however, the anti-national forces in China as recently published in the New Leader of February 6, 1927, shot down those who were opposed to them. Sir Percival Phillips, writing to the Daily Mail, of which he is correspondent, describes the happenings in the following words:

The executions have been terrifyingly informal. Pickets and agitators, including ignorant coolies and spectacled students, are quickly beheaded wherever they are found intimidating shopkeepers or scattering Cantonese leaflets.

A runner is sent to summon the "execution patrol," which comes up with the headsman swinging the bared blade. The culprit is forced to his knees as the soldiers keep the crowd back.

A moment later his head is being fastened to a wooden cage, which is all ready, and is nailed to a pole for the contemplation of the populace.

Further on the New Leader, which is the official organ of the Labour party in England, says, and the words are in italics:

They would not have happened if the British forces had not been massed at Shanghai.

I think I am only stating a fact when I state that Russia wisely withdrew and gave up her concessions. I said she did it wisely. I do not think she did it from virtuous motives; she made a virtue of necessity. I have an article here which appeared in the Weekly News, published in Winnipeg, Manitoba, on Friday, March 25, 1927, in which this statement is made:

Russia was shrewd enough to make a virtue of necessity, and give up her privileges in China while the other powers were holding tight to theirs. Naturally, the Chinese appreciated this move.

Later on the article says:

Germany's privileges in China were taken away from her by the treaty of Versailles. As a consequence, though before the war Germany was probably the most unpopular western nation in China, German trade in that country is thriving while British trade is at a standstill, and even American commerce seriously embarrassed.

I want to quote just one more paragraph:

The moment western powers give up special privileges and base their intercourse with China on commercial grounds, there will be an end to drives and boycotts, and China will trade most with those who best meet her economic needs.

Such, at least, is the doctrine of European liberals.

I said in the letter that I wish Canada, which is a member of the League of Nations, would protest against the breaking of the peace of the world, or taking a chance at breaking the peace of the world, by the action of the powers in China. Under article XI of the treaty of Versailles that is possible:

It is also declared to be the friendly right of each member of the league to bring to the attention of the assembly or of the council any circumstance whatever affecting international relations which threatens to disturb international peace or the good understanding between nations upon which peace depends.

And so Canada would be well within her right in protesting against anything that tends to endanger the peace of the world. There was an interesting report in the McGill Daily, a student's paper issued at McGill university, of a speech recently made, by Captain Brace—who I believe was connected with the Young Men's Christian Association and who is a returned man—on conditions in China at the present time. He said:

The cause of the trouble in China to-day is the white man, who exploits the oriental and breaks all laws of civilization in doing so.

We as Britishers must take our just share as a consequence of so serious a charge. I want to close this defence, if it can be called a defence, of my letter to the public school children of Southeast Grey by quoting again from Bertrand Russell. He says this, in relation to the forces going out to China:

If we were fighting for a great cause, the prospect of loss might be faced with heroism. But the exact opposite is the case: We are fighting against everything progressive, upright, and intelligent in China, in favour of everything ignorant, reactionary and corrupt. We are fighting to keep civilization under in a great nation, in order that it may be the easier to exploit. We are fighting for the right to shoot down young unarmed students when they protest against the killing of Chinese workers by Japanese capitalists in labour disputes. We are fighting to prolong anarchy and civil war among self-seeking militarists dependent upon foreign support. We are fighting to preserve everything that is bad and to prevent the growth of everything that is good. This, alas, is our position throughout Asia. This is the sacred cause which we pursue with a pigheaded obstinacy that must, before long, bring ruin and national disaster upon us. Both as a patriot and as an internationalist, I view the situation with feelings little short of despair.

I want to say, regardless of what the hon. member for Kingston (Mr. Ross) and the hon. member for Frontenac-Addington (Mr. Edwards) may think, that I consider myself a patriot. I have no desire in the world to mislead the school children of Southeast Grey, or the school children of Canada, or the people of Canada on any question whatever. To the extent that any details of the letter were inaccurate I regret it, but the spirit of the letter was true and I stand by it be the consequences what they may.

Mr. MacLAREN: I rise to express approval of the vote now under discussion for the cadet services. I do so partly to take the opportunity of giving general approval to the votes under the heading of national defence. Hitherto in the last few years these grants have been entirely too small to effect efficiency, and the increases in many items which we notice this year will, I believe, give the Department of National Defence an opportunity to bring about efficiency, something which is very desirable.

So far as the cadet services go I believe that the great mass of thinking people in this country recognize the value of the cadet services and the physical training connected with them. I believe most of the fathers and mothers of this country recognize the qualities that the cadet service and physical training give to their children. As a result the great improvement in the physical condition of the youth of the country is noticeable. Not only is there a physical improvement but there is instilled into the children obedience, the sense of discipline, manliness and independence. All of these qualities contribute to form what we believe is one of the most desirable objects to be obtained in educating our youth, and that is the building up of character.

Mr. BOURASSA: I have a word to say just with reference to the vote which is supposed to be under discussion. I partly agree with the minister on one point—that it is not essentially nor exclusively the training of cadets which makes for militarism. It is to be regretted, I think, that the two objects in view—physical training and the cadet corps organization—are not separated, because some of us might be disposed to approve of the grant given for physical training and not for the organization of cadet corps.

Mr. RALSTON: I wonder if my hon. friend would permit me to interrupt at this point? It has been pointed out to me that I did not read the full policy of the Strathcona trust. It gives my hon. friend the reason why the vote cannot be separated. If my hon. friend will permit me, the objects of Lord Strathcona were set out in certain provisions. I read only part of those this afternoon and I wish to read the rest. What I read this afternoon set out the objects as being:

> Not only to improve the physical and intellectual capabilities of the children by inculcating habits of alertness, orderliness and prompt obedience, but also to bring up the boys to patriotism, and to a realization that the first duty of a free citizen is to be prepared to defend his country.

This is the rest:

> The intention of the founder is that, while physical training and elementary drill should be encouraged for all children of both sexes attending public schools, especial importance is to be attached to the teaching of military drill generally to all boys, including rifle shooting for boys capable of using rifles. All boys should so far as possible, be made to acquire a fair acquaintance while at school, with military drill and rifle shooting.

Mr. BOURASSA: I thank the minister for giving me this information because it puts me into a satisfactory position to support the amendment of the hon. member for South-east Grey.

Mr. RALSTON: I do not think the hon. member had any trouble before.

Mr. BOURASSA: Perhaps I had more trouble than the minister realizes. To a large degree I am in favour of encouraging physical training, but I am opposed to joining the two things together. The minister says that the educational institutions and the parents are free to accept or to refuse the offer of the government. But knowing how things work, one realizes that, with the object of giving physical training to their children, people are being led into accepting, against their wishes, this military organization. In some institutions, in Quebec, the organization of cadet corps was presented to the people exclusively from the point of view of physical training, and it was accepted as such. Both the parents and the children were induced to accept it; then the cadet corps were formed, and once started, once the rifles had been received from the government, they were kept up.

As I said at the beginning, I am not prepared to say that the cadet corps organization is in itself a source of militarism in its most obnoxious form. For instance, take a country like Switzerland. I do not suppose there is any other democratic country in the world so thoroughly peaceful, and where, at the same time, such attention is given to inducing all classes of the population from youth to old age to prepare themselves for the defence of their country. Once we have a standard of national patriotism well inculated in the minds of our population, then of course we will have to do something in the way of preparing our youth for the defence of their country. But in the uncertain state of mind in which we have been for the last twenty-five years, not knowing whether the duty of our people is to defend our country, or to go out and fight wars that have no relation to national defence, then everything which tends to the development of the military mind, to inducing the youth of

the country to enter those cadet corps and later on to enter the militia, makes them so-to-speak food for militarism, imperialism, and service to foreign countries, to the detriment of their own country. I do not want to say any more on the subject at the present time, because I think it is rather unfortunate that the whole scope of our military policy and foreign military ventures should have been brought under discussion on this item.

In Quebec many people are in a state of disquiet at the ultimate result of this training of the youth in our colleges. Undoubtedly it does not immediately make for the worst kind of militarism. I admit with the minister that even with some of our young men it has a better effect; it teaches them a sense of discipline which, if we are to have some kind of military organization, is certainly better than the kind of militarism which is developed at the approach of war or during war with no sense of discipline, when all sorts of inducements are held out to get untrained people to enlist. But there is also this other consequence. Once boys have been accustomed in colleges to military training, they get into their minds, precisely as is mentioned in that report of the Strathcona trust which the minister read, the idea that military duty is the primary duty of citizenship. It is against that spirit that a growing number of Canadian fathers of families are protesting, men who are thinking of the future of their sons and of their country, men who believe that the future of this country depends, not upon following the footsteps of European nations, but, on the contrary, on this generation taking full advantage of the dour experience of the war to induce our people to work for peace, to realize that their best contribution to the peace of the world is to make peace at home not only possible, but if we can, to make it unavoidable, to make the world understand through the League of Nations of which we form a part, that Canada is not prepared to follow any country, foreign or British, in launching the world once again into military ventures such as those through which the world has passed Therefore I think it is time, not only to talk of peace, but to work for peace. It is not sufficient to say that this military training has been going on for twenty or thirty years, and that the minister is simply asking for a small increase to meet new requests. If this government meant what it said through its representatives at Geneva and London, namely that it is prepared to help the British government, the governments of the other dominions and foreign nations in the development of a spirit of peace, it should begin at home and show in the estimates and in dealing with the public money that Canada means peace in fact and not only in words.

Therefore, instead of encouraging the development of those cadet corps in the colleges, we should on the contrary work towards changing that organization into a purely peaceful one of physical training. If it comes to that, then we have to remember the order of things as it was created and as it is maintained by our constitution. Everything which relates to civil education belongs to the provinces. This government and this parliament should have no business to come into the various educational institutions in this country and take the lead in introducing one branch of training into any educational institution. We have heard very often from the other side eloquent and even ferocious pleas in regard to absolute provincial autonomy in matters of education. Why should the federal government step in and subsidize physical training, if we mean only to prepare the youth of the country for the works of peace? But if this is connected with military organizations, if we are taking advantage of the trust first, and these estimates afterwards, to encourage the development of a military spirit in the colleges, then the minister must admit that the objection raised by the hon. member for Southeast Grey is well founded; that this government is stepping out of its normal functions; that it is entering into a field which is under the control of the provinces in order, through those institutions and under the pretence of physical training, to instil into our youth the spirit of militarism. I do not say that it is the worst kind of militarism; I do not say that all these young men will go out from these colleges with the idea of killing and murdering; I do not go to that exaggeration; but undoubtedly it creates in their minds what prepares them in after life to respond to the call of militarism. It turns their mind in that direction. Therefore I support the amendment proposed by the hon. member for Southeast Grey, first because I think it is logical that we should invite the provinces out of their own funds to look after the matter of physical training, and secondly because I do not believe it is the duty of this government to take advantage of the system of physical training to introduce military training into the educational institutions.

With regard to the option of parents, I might give this information to the minister. I know of at least one, and I presume it is only one out of many, educational institution in the province of Quebec where they started with the idea of having physical training, but

were induced by a representative of the federal government to organize a cadet corps, in connection with which the teachers received that premium which is offered to them. After the thing was launched, after a number of young boys had joined the corps, there was a certain spirit developed in the institution to try to make those who stayed out feel ashamed of themselves, to make them feel they were not patriotic, that they did not want to prepare for their patriotic duty, and all that kind of thing. The moment you create an organization of this kind in a school you cause a cleavage between those who join and those who refuse; and you put into the hands of those who receive help from the government and receive visits from the military instructors from the department a weapon which they use to force others to join the corps against their own wishes and against the wishes of their parents. For that reason, and especially in view of the attitude taken by most, if not all, of the government candidates in the province of Quebec upon this question, I have no hesitation in voting for the amendment proposed by the hon. member for Southeast Grey, and in doing so I feel that I remain faithful to the Liberal platform as it has been propounded in the province of Quebec in many elections past.

Mr. WOODSWORTH: I should like to make a brief statement before the vote is taken in order that my position may be made clear. This afternoon the hon. member for Frontenac-Addington made an attack upon me; he went into the history of the Winnipeg strike. From my standpoint his statements entirely misrepresent the situation. I had no chance to protest against them. Further than that, he entirely misrepresented my connection with that strike. I do not think it is necessary for me to go into the matter to-night, but I might say that on one date which he quoted, on the 17th of May of that year, I was on the Pacific coast when these things were happening in Winnipeg, and I had absolutely nothing to do with what occured in Winnipeg at that date. I do not want to go into that matter to-night, but I could, I think, put up a very strong case for the workers. May I merely suggest in passing that one hon. member of the House last year who attacked me on that matter is not in the House this year, and the vote to-day showed that I had the support of the entire Winnipeg and Manitoba group who happened to know the situation much better than do the people in the east. I do not want to be too hard on outsiders with regard to this matter, because I know that propaganda was sent out through the press that misrepresented the entire situation. However, I leave that to one side.

I was anxious to speak on this question to-night because the vote on the Chairman's ruling this afternoon was not taken on the point to which I had raised objection, and I had no opportunity then of setting myself right. Later on, after the vote was taken, the hon. member for Frontenac-Addington—I want to give him credit—gave a fairly accurate statement of the case, but I think there was a decided misunderstanding on his part as well as on the part of the chairman as to just where my objection lay, so I want to make that clear. The hon. member for Frontenac-Addington quoted from what he said was a speech of mine. I think it was in reality a quotation from the preamble of the platform of the Labour party of British Columbia of which I was then a member, and where I happened then to be living. It runs as follows:

> The ultimate object of the confederated labour party is the collective ownership and democratic operation of the means of wealth and production. This involves a complete revolution in our whole economic and social structure.

Apparently the word "revolution" frightened or scandalized the hon. member for Frontenac-Addington. I might point out to him that according to the historians there took place in Great Britain about one hundred and fifty years ago what was known as the industrial revolution; that was the change from hand production to machine production. Every student of history knows that revolution is a term constantly used in industrial history and economics. A great many of us in the labour movement who have tried to study historical developments are of opinion that sooner or later the industrial revolution must be followed by an economic revolution, meaning a change in our way of controlling this huge machinery of production. I think I would be speaking in terms that would be best comprehended by gentlemen here if I should say that we believe that in the days to come public ownership is inevitable, and if you change from private ownership of a lot of little concerns to public ownership on a large scale by municipalities or by the state you are bringing about what might be termed an economic revolution. That is the point of view of the Labour party, and so far from wishing to repudiate anything of that kind, I might say that is the reason why I am in this House, for that is the platform of the Labour party both in Canada and in Great Britain. Let me read a paragraph of something

I wrote in 1919 which explains our position. I pointed out that a great many people were dragging in the Russian situation and I said:

Now, if instead of thinking so much about the dreadful things that are happening in Russia, suppose we consider the remarkable changes that are likely to take place in Great Britain. Within the last few days, several men prominent in civic affairs and in the Citizens' Committee, have confessed that they know nothing of the platform of the British Labour party. Yet, this party is now in opposition in the British House of Commons and, it is generally conceded, will before long become the government of Great Britain. Their policy is then already a matter of practical politics and may in the not distant future be carried into operation. Either this, say students of social movements, or the deluge!

And I quoted from the platform of the British Labour party:

The view of the Labour party is that what has to be reconstructed after the war is not this or that government department, or this or that piece of social machinery, but, so far as Britain is concerned, society itself.

That is what we belive: there has to be a general social reconstruction. I commented:

"Revolutionary!" certainly. But the exponents of this view are not persecuted as British and Scotch anarchists. A goodly number of them have been elected to parliament.

Then I went on to quote further from the British Labour party manifesto:

The individualist system of capitalist production based on the private ownership and competitive administration of land and capital with its reckless "profiteering" and wage slavery; with its glorification of the unhampered struggle for the means of life, and its hypocritical pretense of the "survival of the fittest"; with the monstrous inequality of circumstances which it produces and the degradation and brutalization, both moral and spiritual, resulting therefrom may, we hope, indeed have received a death-blow.

I went on:

We must insure that what is presently to be built up is a new social order, based not on fighting, but on fraternity—not on the competitive struggle for the means of bare life, but on a deliberately planned coöperation in production and distribution for the benefit of all who participate by hand or by brain—not on the utmost possible inequality of riches, but on a systematic approach toward a healthy equality of material circumstances for every person born into the world—not on an enforced dominion over subject nations, subject races, subject colonies, subject classes or a subject sex, but, in industry, as well as in government, on that equal freedom, that general consciousness of consent, and that widest possible participation in power both economic and political, which is characteristic of democracy.

Some of us were urging upon the labour people that they ought to bring this about in this country as far as was possible by participation in politics. I do not know whether it is possible for economic changes to come about in that way, but we were urging that the labour people should take advantage of this means of advancing their cause and go into parliament. Reference was made by the hon. member for Frontenac (Mr. Edwards) to some statement by Mr. Ivens in which he suggested that labour should get control of the parliament buildings. He said, "We shall soon move in". That was a horrible thing to say! As a matter of fact, Mr. Ivens did move in before very long; he is a member of the provincial house to-day, with four or five of the men associated with him. They were urging political action. It is true that some labour men believe that the only way to bring about these social changes is by force. Some of us have taken the opposite stand. I do not know whether we are correct or not, but we have tried to oppose military force, both as a means of settling international difficulties and also as a means of settling class difficulties, and we have said frankly that we hoped that reason would prevail rather than events would be allowed to drift from bad to worse until there was a cataclysm. That has been the position we have taken. It then seems strange that the hon. member for Frontenac, when I was trying to reduce our own national armament—and I was elected on that platform, it is not only my personal view, but our party platform—should accuse me of wanting to build up a force for political revolutionary purposes. He made a statement to which I took exception. After quoting me correctly he said words to this effect:

So the object was collective ownership and a complete revolution if necessary by such means as were undertaken in the Winnipeg strike.

That was the sentence to which I objected. I said nothing whatever in this connection about the Winnipeg strike. I had not the Winnipeg strike remotely in my mind when at that time I used the platform of the Labour party of British Columbia. I had not a political revolution in my mind. I was getting back to the question of an economic revolution which we believe should succeed an industrial revolution. The only thing that makes me wonder whether there will be a political revolution is the stupidity of many of our people who refuse to see the changes that have come about. I want to make myself clear on this. I stand for this platform which has been read several times in the House. I urge the bringing about of this platform if possible by political means; whether or not it will come about in this way largely depends,

on the men now in control of our business life. I wrote in 1919, during the time that feeling ran high:

> Do our Canadian business men suppose, with revolutions going on all over Europe, and with this program offered in England as a substitute for sudden and perhaps violent revolution, that we in Canada are going to be permitted to go with undisturbed step along the accustomed ways?
>
> No! we too must face the new situation. Whether the radical changes that are inevitable may be brought about peaceably, largely depends on the good sense of the Canadian business man who now controls both the industry and government of this country. We confess the prospects are not overly bright.

I trust that this statement will help to straighten out the tangle into which we got ourselves this afternoon, and I must thank the House for giving me an opportunity for explaining my position.

Mr. ROCH LANCTOT (Translation): Mr. Chairman, I have listened with much attention to the debate which has been going on since eight o'clock. My hon. friend from St. John, N.B. (Mr. MacLaren) discussed just now the cadet question; he told us that the training which cadets received was an excellent thing for their health. I do not differ much from his opinion, for he is a doctor and a better judge than I am of these matters. However, in my part of the country we have other remedies to administer to our youth, it is the help given to us during their two months' holidays, and I contend that it is worth much more in promoting health than the one or two days' training per week in colleges. That is the reason why I am opposed to this item.

While on the subject, I wonder why the present government demands from us extravagant outlays for aviation and all kinds of military ends. I wonder how it is possible that intelligent people are so willing to spend the public funds for purposes which will not bring a cent to anybody. This, however, can be explained: I am aware that in the Department of National Defence there are "jobbers," people receiving salaries of $8,000 and $10,000 per year, who wish to enlist others; I contend that there lies the reason why they are always willing to claim larger sums for military purposes. If they had to contribute like we the poor people of this country have to, perhaps they might go slower on that subject and they would seek to have the least soldiers possible in order to bring down the expenses of those who have to stand the racket.

I have not spoken on this question since 1922. I had thought that once a grit government was returned there would be no more necessity to bring up the subject. The old time grits were sufficiently cautious, they seem to have almost entirely disappeared from the government of this country, yet there are some left. This is a very extraordinary year; ever since I have been a member of this House, I have never seen so much extravagance and to cap our misfortunes we are now asked to vote $3,500,000 of military estimates more than last year. When all the great countries of Europe seek to abolish militarism which the last war was to suppress forever, here we start all over again and must arm ourselves. Against whom? Against the countries of Europe? What have they been guilty of in the past against us; to what extent are we indebted to them?

Training young men in summer during six or seven days, spending millions to keep them in military camps where they remain for a week, I ask you, what is it worth? Instead you should be asking the farmers of this country to take these young men and train them. They may not be able to take them all at the same time, but all the farmers could take a few and pay them as much as they would get in training camps, their health would benefit and many families would be better off for it.

With the useless outlays inserted in the 1927 budget, you will be spending more than you will receive, and what shall be the outcome? Burden the people with new taxes. If you continue discussing aviation and militia, what shall become of us? We shall have to incur new debts just like during the war, and, on this point, I differ from you Liberals; I side with the hon. member for Southeast Grey (Miss Macphail) and I shall vote with her this evening as I have done in the past.

Mr. LAVIGUEUR: Mr. Chairman, I am sorry that I do not share the views of my hon. friend. I am not in favour of extravagant expenditure for militia purposes, but if there is an item which should receive the support of this House it is certainly this particular item. I would tell my hon. friend that all our scholastic institutions in my province, including the college at Ste. Anne de la Pocatière and the Academie de commerce and the seminary in the city of Quebec, take advantage of the militia grant for cadet training. Therefore I support this vote with great pleasure, for undoubtely cadet training is well thought of in my province and in the city of Quebec from which I have the honour to come.

Mr. COOTE: Mr. Chairman, I should like to relate to the committee, particularly for the benefit of hon. gentlemen to my right, an incident of the election campaign of 1925. In a mining town of my constituency a supporter of the Conservative candidate, a naturalized Canadian, was in the lobby of one of the hotels and I heard him make this statement several times:

Vote for the Conservatives. They are the rottenest party there is, and if we put them in power we will get a revolution all the sooner.

Hon. gentlemen to my right can make what use they like of that statement.

I am opposed to this vote. Our schoolboys are not lacking in warlike spirit, in fact you can get up a fight in the schoolyard any day on the least provocation. One of the greatest problems our teachers have is to keep the boys living peaceably together. I am speaking from my own experience when I was a schoolboy. I think we all favour physical training for our boys and girls attending school, but I do not think it is right to use the bequest of a lord who has been dead many years to induce us to consent to have this military training imposed upon our children. No doubt, as the hon. member for Labelle (Mr. Bourassa) stated, parents can keep their children out of the cadet corps, but this places the youngsters in a very embarrassing position, because they are looked at rather askance and treated very coldly by the cadets. I do not think our boys should be put in that invidious position. Let us give our boys physical training by all means, but if we want to give them military training let us do it outside the school. Our schools are under provincial control and the Dominion government has no right to impose military training on the young people attending those schools.

Amendment (Miss Macphail) negatived.

Item agreed to.

Engineer services and works, $803,900.

Mr. BOURASSA: What is the object of the $237,900 increase?

Mr. RALSTON: I do not think my hon. friend was in his seat this afternoon when I explained that this is in relation to buildings belonging to the department which have been getting into disrepair from year to year until at last some more active steps must be taken towards repair. I have prepared the most modest allowance in order to see that the buildings are properly kept up.

[Mr. Lavigueur.]

Mr. BOURASSA: Are the buildings in Ottawa?

Mr. RALSTON: All over the country.

Item agreed to.

General stores, $607,799.

Mr. BOURASSA: What is the increase of $217,799 for?

Mr. RALSTON: I explained that also this afternoon. The increase is mainly on account of the fact that clothing and other supplies of which there has been a considerable stock since the war have been gradually depleted, and we have now to make new purchases. This applies also to other stores.

Mr. GEARY: Has the minister taken any steps to supplement the existing stock of coloured uniforms?

Mr. RALSTON: I have not, but the matter is under consideration by the department. Representations have been made by some units, particularly the infantry association, with respect to this.

Item agreed to.

Manufacturing establishments, $472,395.

Mr. STINSON: How is this vote to be applied?

Mr. RALSTON: It has to do with the Dominion arsenal at Quebec and a similar building at Lindsay. The latter we are not using at present, we are simply maintaining it.

Mr. STINSON: How is the amount divided between the two?

Mr. RALSTON: About $464,000 for the Dominion arsenal at Quebec, and $8,000 odd for the Lindsay establishment.

Item agreed to.

Non-permanent active militia, $2,084,300.

Mr. BOURASSA: Why the increase of $424,300?

Mr. RALSTON: That also was gone into this afternoon, but not in detail. As I explained this afternoon, an endeavour will be made to train officers and non-commissioned officers throughout these various militia units, and this simply provides for sufficient personnel in order to enable that training to be carried out. Probably 33,000, all ranks, officers, non-commissioned officers and men, will be trained this year, and I may tell the committee that that is out of a paper establishment of something like 127,000, which is a very small proportion.

Mr. BOURASSA: I notice in the report of the Imperial conference that all the prime ministers, including the Prime Minister of Canada, agreed upon the following:

> The Imperial conference regrets that it has not been possible to make greater progress with the international reduction and limitation of armaments referred to in these resolutions.

That refers to the resolutions adopted at the conference of 1923—

> It is the common desire of the governments represented at this conference to do their utmost in pursuit of this object so far as this is consistent with the safety and integrity of all parts of the empire and its communications.

By the comments which were made and the speeches delivered by the various prime ministers, as well as the remarks appearing in the press later on, everyone understood that the result of the conference would be that in each of the countries represented, an effort would be made to reduce the expenditure on armaments. Now I see that this item, which refers to our force proper, the non-permanent active militia which is our real force—

Mr. RALSTON: No; the active force.

Mr. BOURASSA: There is the permanent force also, but there is no change there. So the result of this pious desire, if I may so call it, expressed by the various governments represented in London, to reduce armaments, results, so far as we are concerned, in a straight increase. It would therefore seem to me that we are not responding to the wishes of the conference upon which all the representatives agreed, by increasing the amount devoted to our militia by about 20 per cent.

Mr. LAVIGUEUR: I see that this item has been increased by $424,300, and I understand that this is for training?

Mr. RALSTON: For the training of the non-permanent active militia.

Mr. LAVIGUEUR: Would the minister say where this training is to be carried on?

Mr. RALSTON: We are endeavouring to arrange more training in camps than there has been. In the past there has been very little training in camps, and an endeavour is being made to reëstablish at least a few of the camps and have the training carried on there for a short period. It is felt that the rural regiments have not really had a fair show in that respect.

Mr. LAVIGUEUR: Is it the intention of the minister to utilize Valcartier camp this year?

Mr. RALSTON: I am not sure whether Valcartier can be utilized this year; the matter is under very serious consideration, and a decision has not been arrived at as yet. We have in mind the advantages of Valcartier, of course, and the expenditure which has been made, the only thing which deters the department is the fact that it will cost a considerable amount of money to put that camp in shape, because it has not been used for some time.

Mr. LAVIGUEUR: What other camp could be utilized in Quebec?

Mr. RALSTON: I think the usual encampment is at Levis.

Mr. EVANS: I think it would be only reasonable for the government at this time to give us some statement regarding their policy in this matter, seeing that we have such an increase this year. I would like to know why the government sees fit, at a time such as this, to increase this vote in this way.

Mr. RALSTON: I do not know that I can add very much more to what I have already said. I only want to add that I think this vote is less this year than it was before the war. Perhaps some hon. members of the committee may not understand that this is purely a non-permanent active militia vote, and is only to provide for the training for nine days of about one-quarter of the paper strength of that force.

Mr. GEARY: I would like to ask the minister if there is any increase in establishment.

Mr. RALSTON: No.

Mr. GEARY: There is no increase in the establishment; the only thing is that you are trying to train a greater proportion of the paper strength. As one who has had some occasion to learn of the work of the militia, I desire to say that the militiamen generally, and those who are interested in the defence force of this country, approve very highly of the action of the government in this regard. The rural battalions, particularly, have not had a fair chance in regard to instruction; a very small proportion of the paper strength of the rural battalions has been instructed at all. Now if we are going to have a force, even on paper, which can be called upon for the defence of our shores, for instance—and I think the hon. member for Labelle (Mr. Bourassa) would not object to that—that force must be trained in order to be effective if such an occasion should unhappily arise. Instructors are sent out; militia officers have devoted their time and money almost without stint trying to make the non-permanent force

of this country as efficient as possible. Some pay is given to officers and other ranks, but I think in almost every case that pay is turned in for the good of the service. I cannot recall a case where any rank of the militia has taken the pay allotted to him for training and devoted it to his own use; that money is diverted to the service of this country in keeping up the different militia units. In the cities, while we have a good deal of trouble, we do not face anything like the difficulties which confront rural battalions, which under the previous appropriation could only train a very few of their men. There is no building up of a military spirit, as the hon. member for Labelle knows; it is purely a matter of preparing men should the time come when our shores must be defended.

I have only a further word to say, and I say it because I am not in the militia now and therefore am not talking of anything in which I am concerned. These men who have interested themselves in the permanent force of our country are deserving of the greatest possible praise and credit for the work they have done, for their sacrifices of time and money in order to keep up in some degree the potential forces of this country. I think the hon. member for Labelle may rid his mind of the notion that this is an increase in armament, because it is not an increase in any way; it is only an attempt to make a greater proportion of that paper strength trained and effective for the purpose for which they were raised. As forcefully as I can, I desire to support this vote, knowing that it meets with the approval of those who have the interests of their country at heart, as reflected in the establishment of the non-permanent active militia.

Mr. GARDINER: I would like to ask the minister whether the armouries come under the control of the officers of the permanent or non-permanent forces?

Mr. RALSTON: The non-permanent.

Mr. GARDINER: I would like some information, then, as to the method of renting these armouries for meetings, dances, and all that sort of thing. Who is responsible for that.

Mr. RALSTON: I had a statement prepared, Mr. Chairman, by the Quartermaster General in reply to a question asked by the hon. member for Southeast Grey (Miss Macphail) the other day, but I have mislaid it for the moment. Speaking generally, the local officer in charge of the armouries has to do with the renting of it, subject to the approval of district headquarters; as the hon. gentleman knows, the country is divided into military districts. An application to that officer through the military district is generally all that is necessary. Sometimes an application is made by the officer in charge of the military district to headquarters.

Mr. GARDINER: Where do the funds go that are received for the rental of these armouries?

Mr. RALSTON: The funds are sent in through the military district. There was a case mentioned by the hon. member for Southeast Grey, which I had investigated immediately, where the funds were kept by the officer in charge and used by him for payment of the caretaker, for the payment of fuel and so on. He rendered an account but did not give the account in until the inspection was made. But the proper way is that these funds should go in through the military district to the Receiver General.

Mr. GARDINER: Has the minister ever heard of a case where the armouries have been rented for the game of badminton, and the rent paid was transferred to the mess account?

Mr. RALSTON: I do not think that that has ever been done. I am informed that there may have been a case where some person contributed to the mess fund.

Mr. GARDINER: I mean where armouries were rented for club purposes.

Mr. RALSTON: No, I have no knowledge of any case of that kind.

Mr. GARDINER: I will make further inquiries, and as soon as I have received information I will bring it to the minister's attention.

Mr. RALSTON: I should be glad if my hon. friend would do so.

Item agreed to.

Permanent force, $4,800,000.

Mr. COOTE: I should like to ask the minister if he could give us the number of officers of different ranks and the number of men that are in the permanent corps, also the pay they are drawing.

Mr. RALSTON: I am afraid I cannot give my hon. friend the different ranks. I can give him the number of officers and men. There are 334 officers and 2,995 men, a total strength of 3,329 of all ranks.

Mr. COOTE: What rate of pay are the men receiving?

Mr. RALSTON: The average rate of pay is $994.79 per annum.

Mr. COOTE: I do not know that the minister understood me correctly. Can he give me the pay of the privates?

Mr. RALSTON: The total pay and allowances for a single man over 18 years of age on appointment amount to $876. For a married man the pay and allowances total $1,131.50 that is when he is out of quarters. After he has been three years in the ranks the single man receives $912.50, and the married man $1,168.

Mr. GEARY: That is pay and allowances?

Mr. RALSTON: Yes, pay and allowances.

Mr. COOTE: May I ask the minister how men are secured for the permanent force?

Mr. RALSTON: They are recruited. They are examined, and if they pass the examination and there is a vacancy they are accepted. The establishment is very small, and there are very few vacancies. When there are vacancies they are very quickly filled.

Mr. COOTE: Is there any trouble in keeping the force up?

Mr. RALSTON: Not with a force of 2,900 men.

Mr. GEARY: Would the minister tell me what reduction was made in the pay of the private soldier following a report made some two or three years ago, and whether the amount of the reduction has been restored?

Mr. RALSTON: No, it has not been restored. The reduction was about five per cent.

Mr. GEARY: Has the reduction not caused the force to lose many men? I think it was reported by the then minister two years ago that it had resulted in the loss of a good many of the force.

Mr. RALSTON: I am instructed that quite a number of men did drop out, but that a great many of them have reënlisted.

Mr. GEARY: Is there any possibility of restoring the former rate of pay to the other ranks?

Mr. RALSTON: I have not taken it into consideration up to the moment. That is to say I have not taken it into consideration with the possibility of giving my hon. friend any hope just now.

Mr. GEARY: Perhaps the minister will be good enough to say he will take the matter into consideration in the future?

Mr. RALSTON: I will go that far.

Mr. COOTE: Is this amount all required for pay?

Mr. RALSTON: No. It is also required to pay for transport, transferring stores, equipment, printing and stationery, and miscellaneous.

Mr. GARDINER: What is the total pay list?

Mr. RALSTON: The estimated pay list in this vote is $4,020,000.

Mr. SANDERSON: Is there any increase in the strength of the permanent force compared with last year?

Mr. RALSTON: No, none.

Mr. COOTE: Could the minister tell us approximately where the units of the permanent force are stationed?

Mr. RALSTON: Yes, the units with their numbers are as follows:

Ontario—	
District No. 1	216
District No. 2	452
District No. 3	387
Quebec—	
District No. 4	242
District No. 5	260
New Brunswick—	
District No. 7	56
Nova Scotia—	
District No. 6	568
Manitoba—	
District No. 10	483
British Columbia—	
District No. 11	285
Saskatchewan—	
District No. 12	53
Alberta—	
District No. 13	169
Ottawa	355

Item agreed to.

Topographic survey, $40,000.

Mr. GARDINER: Is this topographic survey made for military purposes alone?

Mr. RALSTON: Some of these maps are sold for civilian purposes. They are very detailed and very good maps.

Mr. GARDINER: Does this survey overlap the Topographic survey of the Department of the Interior?

Mr. RALSTON: No, it is not the same work at all.

Item agreed to.

Transport and freight, $165,000.

Mr. DICKIE: Perhaps I might introduce, under this item, a resolution which has been sent to me, without going much farther afield than previous speakers have done. The resolution in question is from the Cowichan branch of the Canadian Legion of the British Empire Service League, and reads as follows:

> Owing to the fact that Canada has large trade interests in China, which are likely to expand, also to the fact that there are many Canadians in China who are being protected by the imperial troops—
>
> Be it resolved that the Canadian government be requested to pay entire costs of transport, maintenance and treatment of all imperial service men invalided to Canada from any cause whatsoever due to service in China.

I am in complete accord with this resolution. We look to the great British navy for defence in all parts of the world, but we contribute very little towards its upkeep and we of British Columbia feel ashamed that we do not contribute more. We can call ourselves an autonomous nation or anything else we like, but the fact is that we are simply a unit of the great British nation and I am glad that such is the case. Therefore I do not see why we should not contribute some modicum towards the upkeep of that splendid navy which protects us and our ships which sail at least some of the seven seas.

When that wonderful warship the Blake sailed into Esquimalt harbour, I am sure the rank and file and officers of that ship must have been greatly impressed. Our regular army consisting of two hundred and fifty or three hundred men were there to await the arrival of those officers and men and there were perhaps one hundred and fifty others, boy scouts and naval reserve men, making a total of some five hundred men to meet that great warship. When the officers were landing, the band at the head of those men played "O Canada, we stand on guard for thee." I am sure those men must have been favourably impressed with our Canadian regular army of three or four hundred men who stood on guard.

Those are good men, willing to do their share, all that they can do, but we think they should receive better treatment than they are receiving. We have naval reserve men, naval instructors, a number of them, men that we have borrowed from the Imperial army. They did good work in the Imperial army; they came to Canada and gave us their services, and have a grievance in this respect; they wish the time they spent in the Imperial army added for pension purposes to the time they have given their services to Canada.

That is a reasonable attitude on their part. I took the matter up last year, but as hon. members know, in the hectic days of last session little was accomplished. I wish the department would take this matter under consideration.

I wish the department would take under consideration also the resolution which has been received from the great Canadian league. Surely we should have some national pride. We do not want protection for nothing. This "peace at any price" movement stops at the Rocky mountains; we have very little of it in British Columbia. We hold in absolute contempt men who have no national pride and who belong to the "peace at any price" party as we call them in this country. We do not want them in British Columbia, and I would suggest that we set aside at Port Nelson—and I know of no more unfavourable place—a colony to which to transport those people along with the Doukhobors and bible students. I do not know that Port Nelson will be useful for any other purpose, but it would be of some use in that regard, so let us send them there. I was going to say: Let us send a few free traders with them but when I come back to consider the matter, practically every fanatic in Canada is a free trader and therefore that branch of politics would be well represented at Port Nelson. We want no "peace at any price" people in British Columbia and we have very few of them there.

If we are part and parcel of that great British nation, let us do something towards the upkeep of the navy which protects our ships. Australia, New Zealand, and South Africa all contribute many times more than we do towards the upkeep of the British navy. Surely we have some national pride. We call ourselves a nation; we say that we have perfect autonomy. I say this is hardly correct. Some day we may have; some day we may make this a great nation and we may have complete autonomy. I know of no reason why we should wish to separate from the great British nation. We receive from them more than we do from any other people in the world; they are our best friends, and we have an immense balance of trade with them. But we take their money and hand it over to our neighbours in the United States. Some of my weak-kneed friends to the left say that we can place reliance on the Monroe doctrine. What kind of a Canadian is one who would expect the United States to defend Canada on the seas or anywhere else? There is no need of war between Canada and the United States; the United States is at present effecting an economic conquest of this country.

Wherever you go you see great institutions owned by United States capitalists who come to Canada because they know this is a goodly land, and they are bringing capital into this country ad lib. In British Columbia most of our pulp mills, many of our great sawmills and our mines, are under the control of United States capitalists. It is said and it has never been disputed that 70 per cent of our timber belongs to United States people. They are effecting an economic conquest of Canada without going to war with us, as I am sure they never expect to do. I would be ashamed of any Canadian who said that we should come under the protection of the Monroe doctrine. Let us stay with the great British Empire until the time comes when we may break away and I hope that time will never come.

Item agreed to.

Naval service—to provide for the maintenance of the ships and establishments of the Naval service, including the Royal Canadian navy, the Royal Canadian naval reserve and the Royal Canadian naval volunteer reserve, $1,725,000.

Mr. EVANS: I would like to say a word at this point, not because I am going to oppose the item, but because of the insult that has been thrown out to this part of the House by the hon. member (Mr. Dickie). Patriotism throughout British Columbia does not end at the Rocky mountains. Members in this part of the House to-day have perhaps somewhat more patriotism than the hon. member himself has. Saskatchewan was one of the first to heed the call; it sent more men to meet the enemy at the front than did British Columbia. and moreover we did not talk about it. When the hon. member throws out an insult of that kind, it is only one of many that we have had to stand this year and last year. Saskatchewan has done its share, and when the hon. member throws out a blanket insult of that kind, it hurts everybody at this end of the House. I do not have to accept a lecture from the hon. member regarding my loyalty to the British Empire. I was brought up in Great Britain and I am glad that I was. I am British to the core to-day, and I want to tell the hon. member that two of mine went out of my home and faced the enemy for three years and a half in Europe. I do not know whether the hon. member can say that or not. Whether he can or can not he is not entitled to lecture us on our patriotism.

Mr. DICKIE: I said nothing at all against the patriotism of the hon. member.

Mr. EVANS: I want these hon. gentlemen to sit down and keep quiet while I am speaking. As regards charging anyone in this part of the House being weak-kneed, let me say that Saskatchewan to-day is making her own living, finding her own income and furnishing as large a part of the national income as any other province in Canada. More than that we are doing that by selling our products against the competition of the whole world, whereas the hon. member says that he cannot make a living in that way. We can do it, and to-day when we advocate peace, we are advocating peace through trade methods that will make for peace instead of war. I want the hon. gentleman to understand that when the call for war came, Saskatchewan was the first to answer, and more men while they were particularly needed, went from Saskatchewan than from any other province in Canada.

Mr. BOURASSA: What is the reason for the increase in this vote?

Mr. RALSTON: The increase is shown as $225,000, but it really is only $125,000, as there was a supplementary vote last year for $100,000. There is a slight increase, of five, in the number of the Royal Canadian Navy proper, and an increase of eighty in the Royal Canadian Naval Reserve. As hon. members know, that is a reserve of professional seamen, who are on what you might call a small retainer each year for service in the navy. There is also a slight increase in the Royal Canadian Naval Volunteer Reserve, which is still considerably below strength. Then the supply of fuel oil accounts for about $102,000.

Mr. BOURASSA: There was a special despatch from Ottawa which appeared in one of the Montreal papers last week to the effect that the government contemplated a renewal of practically the whole naval force, the scrapping of what remains at present of the so-called naval force, and the purchase or building of two new cruisers and a flotilla of destroyers. That was given as being the program of the government to be announced shortly. Can the minister give us any information as to that?

Mr. RALSTON: I assure my hon. friend that there is nothing in this vote which would justify any such suggestion.

Mr. BOURASSA: I do not say there is anything in this vote, but surely if this is the program of the government the House is entitled to know upon this vote if there is anything in the rumour.

Mr. RALSTON: There has been no decision as to the future provision of naval craft or as to the policy which will be adopted in that respect.

Mr. CLARK: Can the minister tell the committee what is the relative per capita expenditure on naval defence in Australia and Canada?

Mr. RALSTON: I am sorry I have not those figures at hand.

Mr. CLARK: Perhaps the minister could state whether the figures stated by Premier Bruce at the Montreal conference are correct. He states that the per capita expenditure in Australia is 17 shillings and 2 pence, and in Canada 8 pence; in other words 16 cents in Canada, as compared with $4 odd in Australia.

Mr. RALSTON: I think my hon. friend is about right with regard to the Canadian estimate. I cannot say as to Australia.

Mr. COOTE: How many ships have we in the Canadian navy now?

Mr. RALSTON: The question was answered in the House the other day. There are two destroyers, the Patriot and Patrician; and four mine sweepers, the Ypres, Festubert, Armentieres and the Thiepval.

Mr. COOTE: Do these ships make any cruises in the summer months?

Mr. RALSTON: Yes, training cruises.

Mr. COOTE: Has the government considered the advisability of sending them up to explore ice conditions in the Hudson strait and Hudson bay, so that they can bring back a report to us as to the feasibility of that route, and as to whether there is safe anchorage at Port Nelson and Fort Churchill?

Mr. RALSTON: The answer is in the negative.

Mr. COOTE: Does not the minister think it would be a good idea to use these boats for that purpose? A great controversy has been waged in this House for years as to how many months of the year the Hudson strait is open. We have this navy, and we are passing a vote for it every year, and I understand from the minister that these vessels are making cruises anyway; so would it not be the part of wisdom to use these votes for that purpose? I am sure it would be good training for the men on the ships, and they might bring back some useful information.

Mr. MANION: Is my hon. friend anxious to lose the little navy that we now have?

[Mr. Bourassa.]

Mr. COOTE: I am not at all anxious to lose the navy, because if we did we would have to provide more ships. I really think I have made a worth-while suggestion which the minister might well accept.

Mr. RALSTON: I am afraid that I could not accept it at this stage.

Item agreed to.

Air force vote (Service)—for air force operations and training, including training for work for other government departments, $1,669,694.

Mr. BOURASSA: There is an increase in this vote of $675,000 odd. Will the minister explain that?

Mr. RALSTON: The increase of $675,000 is largely due to making provision for replacement of the obsolete military air craft which are now used for the training of the Royal Canadian Air Force by craft of more modern types. Hitherto the training has been carried out entirely on war type air craft. If any reasonable efficiency of the force is to be maintained, the personnel must have experience in the modern types. Hon. gentlemen will understand that a man cannot fly in a machine which has a maximum speed of 100 miles an hour, and then be expected to handle a modern machine flying at 175 miles an hour. It is proposed to replace these more or less obsolete craft with a very small flight of modern machines.

Mr. GARDINER: How many new aeroplanes is it proposed to buy altogether?

Mr. RALSTON: Twelve.

Mr. GARDINER: Where are they to be purchased? Are they made in Canada?

Mr. RALSTON: Any machine the name of which begins with a "V" is made by Vickers. Four will be purchased from Vickers probably, and the other four probably from the Armstrong, Whitworth Company, of England.

Mr. GARDINER: Is that the Vickers in Montreal?

Mr. RALSTON: Yes.

Mr. GARDINER: What do they cost per unit?

Mr. RALSTON: The cost depends upon the style. Would my hon. friend like the details?

Mr. GARDINER: Perhaps the minister would give the total cost of each type.

Mr. RALSTON: The cost of the four planes which will probably be bought in England is $33,250 and of the four others $21,440 apiece. For Vancouver there are two machines and 8 engines, at a cost of $73,996; Camp Borden, two groups of four machines to be purchased in England with engines, at a cost of $316,852; Ottawa, one machine with two engines, costing $19,794; spare parts, $102,661; customs, sales tax and freight, $94,295; or a total of $607,598.

Mr. GARDINER: At which point is most of the training done, or is it all done at one point?

Mr. RALSTON: Most of the training is done at Camp Borden.

Mr. GARDINER: How many officers under training at the present time altogether?

Mr. RALSTON: Eighty-four.

Mr. GARDINER: Are you increasing the number from year to year?

Mr. RALSTON: That is the way it grows. There is some increase in this vote. The total number in this vote is 527 altogether, 97 officers and 430 men. You will understand the personnel has to carry out all the work on the civil side. In connection with the next vote there is an increase of something like $2,000,000.

Mr. GARDINER: Has the minister taken into consideration the advisability of separating the civil force from the military force? I understand there is a great deal of contention between the two services and that we are not getting the service which we might expect if we separated the civil from the military force. Has the minister any information about that?

Mr. RALSTON: The government has under consideration now the general idea that my hon. friend has mentioned. No decision has been arrived at.

Mr. ADSHEAD: There is no part of the military estimates with which I am more in sympathy than this, but as so much of the expenditure is said to be due to civil rather than military purposes, does the minister not think in fairness to his department that a large part of this should be charged to some other department rather than to his, because the result is that it makes the military estimates larger than they ought to be?

Mr. RALSTON: I think my hon. friend is right about that.

Mr. ADSHEAD: Will my hon. friend take that into consideration.

Mr. RALSTON: Yes.

Mr. BOURASSA: Is this program of organization carried on in conjunction with the British government—the increase or the reorganization?

Mr. RALSTON: We are on item 103.

Mr. BOURASSA: It is one of the items of this vote.

Mr. RALSTON: No.

Mr. BOURASSA: It was agreed upon in London, with regard to the air service especially.

Mr. RALSTON: It is in the next vote.

Mr. BOURASSA: But this is in regard to the air force. The next vote is for the civil and this is for the military.

Mr. RALSTON: No.

Mr. BOURASSA: Yes, it is in the report of the committee on defence, dealing with the coöperation of the officers for the land forces, for the naval forces and for the air forces.

Mr. RALSTON: I think I can say that the only connection with the British government in this regard is as to the experimental civil air service which it was suggested might be established between England and Canada. The suggestion was made at the Imperial conference that Canada would coöperate to the extent of providing a landing field and mooring house in connection with what would be strictly a civil, not a military service.

Mr. BOURASSA: It is a pity that in the report of the conference it has been mixed up with all the decisions taken with regard to coöperation in military affairs, because the part referring to the air service is put under the readoption of the resolutions already adopted at the conference of 1923. Now, one of the resolutions of the Imperial conference of 1923 on defence was as follows:

(e) The desirability of the development of the air forces in the several countries of the empire upon such lines as will make it possible, by means of the adoption, as far as practicable, of a common system of organization and training and the use of uniform manuals, patterns of arms, equipment and stores (with the exception of the type of aircraft), for each part of the empire as it may determine to coöperate with other parts with the least possible delay and the greatest efficiency.

That is all relating to the military air force. Another paragraph reads:

The conference takes note with satisfaction of the substantial progress that has been made since 1923 in building up the air forces and resources of the several parts of the empire.

That is military. Another clause of the report reads:

(b) Recognizing that the fullest mobility is essential to the effective and economical employment of air power, the conference recommends, for the consideration of the several governments, the adoption of the following principle:—
The necessity for creating and maintaining an adequate chain of air bases and refuelling stations.

Is that not included in this vote—refuelling stations and air bases?

Mr. RALSTON: The only provision which, so far as I know, has any relation or anything more than an incidental relation to the matter to which my hon. friend refers is a provision in vote 103a for a preliminary amount for the establishment of an air field and mooring mast in Canada for an experimental airship service. These purchases of air craft would be made irrespective of the policy laid down at the conference. They have nothing to do with the suggestions in that report, except with respect to the mooring.

Mr. GARLAND (Bow River): I think this is one vote with which most of us can agree, but I dislike frankly the inclusion of the civil air force. We are discussing that at the moment, are we not?

Mr. RALSTON: No. It is the next item.

Item agreed to.

Air force vote (Civil)—for operations for other government departments, including fire protection and suppression, photography, transportation, investigation of forest and grain pests and fishery patrols for Department of Interior (forestry branch, topographic surveys branch, water power branch, parks branch, geological surveys branch) Department of Indian Affairs; Public Works Department; Department of Agriculture; Department of Customs and Excise; Department of Marine and Fisheries; Department of Mines, $2,222,539.

Mr. GARLAND (Bow River): I think the civil air force in this country has been doing a remarkable work, probably preëminent in their line. I am glad to notice that some of the members of the civil air force are doing a great deal of propaganda work and educating the people as to just what this thing is going to mean to us in Canada. There is a tremendous field for the air force in the destruction of insect pests that are destroying our forests. I understand an attempt is to be made this year to smother the spruce bud worm. Also, I understand we are going to use these airplanes to try to stamp out wheat rust. I hope that is to be part of the policy of the department in the coming year. But although I am glad to see the department going ahead with these things, I should like to ask the minister if he considers it wise to continue the evolution of our civil air force within a military department. Frankly, I am opposed to it. I am of opinion that you will hamper its development, you will so strangle it with red tape that its propellers will not work properly.

Mr. CLARK: They worked all right during the war.

Mr. GARLAND (Bow River): My hon. friend is always thinking in terms of war.

Mr. CLARK: They were fairly capable men there. Don't you think they will be capable now?

Mr. GARLAND (Bow River): I should like to see it kept out of military control—

Mr. CLARK: May I ask a question?

Mr. GARLAND (Bow River): Yes, when I finish my sentence. I should like to see this thing kept altogether out of the hands of military administration. My impression of military administration is that every tin pot general has to have a staff of batmen around him; every little brass hat has to have a little staff of servants officially to do saluting and that sort of business; a lieutenant cannot sleep in the same room with a sergeant; the sergeant has doubts whether it is right for him to sleep with a corporal, and that sort of thing. It strangles the civil development of aviation. Now, if the hon. gentleman has a question to ask me I am perfectly willing to answer him.

Mr. CLARK: Of course, my hon. friend must always become insulting to anything connected with the army.

Mr. GARLAND (Bow River): I disagree with my hon. friend.

Mr. CLARK: You certainly used insulting language to officers of His Majesty's service, very insulting.

Mr. GARLAND (Bow River): Just a moment.

Mr. CLARK: The question I want to ask—

Mr. GARLAND (Bow River): Mr. Chairman, the hon. gentleman cannot use that language to me in this House. I insulted no

officer of His Majesty's army or anybody else. I ask that the hon. gentleman's statement that I insulted any officer of His Majesty's service be withdrawn.

Mr. CLARK: I certainly will not withdraw what I said. You were most insulting.

Mr. GARLAND (Bow River): Most insulting! The hon. gentleman really must keep within the rules of this House.

Mr. BOURASSA: There is no rule for the Tories here.

Mr. GARLAND (Bow River): I submit, Mr. Chairman, that the hon. gentleman's reference to my language as being insulting—

Mr. CLARK: Certainly, it was insulting to His Majesty's forces.

Mr. GARLAND (Bow River): I deny that my language was insulting, and I ask the hon. gentleman to point to a single sentence of mine which can bear that construction. If he cannot do so I ask him to withdraw his remark.

Mr. CLARK: There is nothing to be withdrawn. The question I would ask my hon. friend is this: Does he not think that a force that fought as the air force did in the war is capable of any work in civil life?

Mr. GARLAND (Bow River): No, I do not. I will be quite frank with you. I have given you some reasons why.

Mr. CLARK: They seem to be doing fairly well in civil life to-day, some of those who fought.

Mr. GARLAND (Bow River): Yes, but they are being crippled by the military administration. If you could turn these men loose you would give them a chance to develop their own ideas with respect to civil aviation. They possess immense capacity if given proper surroundings, but I submit that you strangle their initiative by keeping them as a military unit and subjecting them to the desciplinarian methods of militarism.

Mr. CLARK: If you had a little of that discipline you would be a better man.

Mr. GARLAND (Bow River): My hon. friend is peeved. Aviation must appeal to the imagination of all youth to-day. One gentleman in this country I think deserves a good deal of credit, Mr. Chairman, for the work he has been doing in the last few years in endeavouring to develop public opinion along these lines. I refer to Mr. J. A. Wilson, Secretary of the Royal Canadian Air Force. I have in my hands several articles from his pen, that have appeared in various papers, and I think if more such work was done to develop the psychology of the public in respect to this evolution of the service would be much more rapid. In one of these articles Mr. Wilson relates an incident which I think is worth bringing to the attention of hon. members. A mining engineer travelling on the train from Winnipeg to Toronto received a wire from his principals to stop off en route to examine newly staked claims in the Red lake mining district. He left the train in the afternoon at Minaki where the Federal Airways Service, a Toronto company, had an aircraft ready for him. He then flew 120 miles northeast to the camp, where he was able to examine the claims and to fly back to Lookout, where he joined the same train that he had left at Minaki four and a half hours earlier. In the meantime he had undertaken his survey, and when he got on the train at Sioux Lookout he was asked by the aviator if he felt tired. He replied, No, I have spent my time writing my report. It shows what can be done in reaching out of the way places where no other means of transportation is available. I hope the minister will give sympathetic consideration to the suggestion I have made. I think civil aviation should be taken out of the National Defence department altogether. If you want to know where to put it, I would submit the best place in the world would be a department of transportation, which would take over not only air transportation, but railways and canals and all the work of the Marine department that is similar to this sort of thing, that is, the setting of lights, airway guides, flying fields, and so on, which after all cover very similar work. If all these were bulked into one department we would not only have a more efficient and economic administration, but we could possibly do without one or two ministers with whom at the present times we have the pleasure of conversing.

Mr. SPENCE (Maple Creek): In advocating the separation of the military from the civil air service, does not the hon. gentleman disagree with the hon. member for Macleod (Mr. Coote), who asks that naval cruisers be used to investigate the navigability of the Hudson straits?

Mr. GARLAND (Bow River): We are talking of airplanes, not cruisers.

Mr. SPENCE (Maple Creek): The same principle is involved.

Mr. GARLAND (Bow River): No, I do not disagree. I think it would be a good

thing to shoot a few airplanes up there to look over the ice field in order to find out the nature of the floating ice and whether the channel is blocked for a greater or lesser period.

Mr. CLARK: Is it the intention to investigate the Hudson bay route by means of this vote?

Mr. RALSTON: No. The committee will remember that last week there was a vote in the Marine and Fisheries estimates for the purpose.

Mr. MACDONALD (Kings): Mr. Chairman, I suggest it would be a good idea for the minister to confer with the Minister of Railways with a view to establishing an air service between Prince Edward Island and the mainland. On account of ice conditions the island is sometimes isolated from the mainland for days together. In fact, last year I remember going home from here on May 24, and the boat could not cross to the island because of ice conditions. The utility of the service could be demonstrated very well in getting mails and passengers across. A few days ago the car ferry was tied up on account of ice conditions. I hope the minister will consider the advisability of establishing such a service at this point.

Mr. COOTE: I wonder if the minister would be good eonugh to give us the amount to be spent in each of these departments which are named?

Mr. RALSTON: I am afraid I could not give that in dollars and cents although I can tell my hon. friend the work to be done and the provinces in which it is to be done; I have three or four pages of it here. I can say that I think the only item here which is not for some other department is that item which I mentioned to the hon. member for Labelle, with regard to the provision for the mooring mast.

Mr. COOTE: We are asked under this vote to spend $1,416,539 more than was spent last year; as a matter of fact, we are spending about three times the amount spent last year. I am not going to press the minister for these figures—

Mr. RALSTON: I am sorry I cannot give them.

Mr. COOTE: —but probably he can get them some other time. I want to draw the attention of the minister to the fact that if this work were done by a department of civil government rather than by military men it could be done at a much lower cost. I distinctly remember being told by a gentleman who has had a great deal to do with the administration of military affairs in this country that military men do not know the value of a dollar. The expression he used was, "They seem to have the idea that dollars grow on trees, and we just go out and pick them off." I suppose it is only natural that military men should not realize the value of a dollar, especially the men who have grown up in the service and who simply draw their pay at the end of each month. Whenever they want a new gun or a new aeroplane or something else, they simply put in their order and it is given them. I have been told by a man who has a great deal to do with the administration of a department of civil government in this country that so far as his department was concerned, it was his opinion that if they were allowed to hire their own aeroplanes and their own pilots and to do their flying on their own account, it could be done for approximately one-half of what they were charged by the Department of National Defence, and I think he is quite right. I do not know whether the minister has gone into that, whether he has asked these departments if they would like to have a grant of money with which to do their own air work, or whether they would prefer to have it done by the Department of National Defence. I will admit that I do not know much about it except what I have been told, but that is to the effect that it would be much cheaper to have this done by civil government rather than through the Department of National Defence.

Mr. RALSTON: My hon. friend means by a government department?

Mr. COOTE: Yes.

Mr. RALSTON: Under contract?

Mr. COOTE: Allow the civil government department to have charge of it; they could do it either by contract or by hiring their own men. In the forest patrol of the state of Montana, which is just south of us, I have been told that the work is done by their own force, and that they do it at a lower cost per unit than we in Canada are spending, and I have every reason to believe that statement is correct. That is my reason for pressing this upon the minister now. Of course, if he is going to have this money spent through his department anyway and wants to give positions to all these pilots and the men who are training for this work, there may be some argument in favour of con-

tinuing it in this way, but if that is not the case I contend that it would be much cheaper to let these departments provide their own services for the work rather than to have it done by the Department of National Defence.

Mr. MACKENZIE KING: May I say to my hon. friend that the government has been carefully considering the point he has mentioned, the separation of the civil from the military aviation. We are entirely of one mind that the two should be separated, but as to whether they should be under a different minister than the one who now has charge of the Department of National Defence is a matter which we will have to consider further. As to keeping the two services distinct there is but the one view in the cabinet.

Mr. ROSS (Kingston): Does the statement of the Prime Minister mean that we are going to have one air force which will be absolutely a service force?

Mr. MACKENZIE KING: Yes, absolutely distinct from the service force.

Mr. SPENCER: I understand that this is the case in the United States, India and Great Britain. If we follow this example we shall certainly be in good company.

Mr. MACKENZIE KING: That is true.

Mr. BOURASSA: Do I understand that this will change the position placed before the Imperial conference by the Prime Minister? I think if the hon. member for Bow River (Mr. Garland) and the hon. member for Macleod (Mr. Coote) had looked at the appendices of the Imperial conference, they would have found the reason why the two forces have been kept together. However that may be, when the question of the co-ordination of all the air forces of Great Britain and the dominions in time of war was discussed, we find that the Prime Minister made this declaration:

> The organization and training of this force—
>
> The Canadian Air Force—
>
> —has followed closely that of the Royal Air Force, and very substantial progress has been made. Two training centres and six stations (three temporary, during the summer months) have been established in various parts of the country, so as to carry out the several duties of the Royal Canadian Air Force.

Then later on:

> Officers of the Royal Canadian Air Force are in attendance at the Air Force Staff College, Andrew, and at the Naval Staff College, Greenwich. Others are taking courses at various schools in England.
>
> An exchange of officers has recently been arranged, and liaison visits are also carried out periodically.

Still further on the Prime Minister says:

> The Royal Canadian Air Force has made commendable advances in the civil side of its work. As I mentioned at a previous session of the conference, immense areas are being surveyed annually, and millions of acres of valuable forest land protected. The work on the civil side is of such a nature that it provides practical training for the air force personnel.
>
> Civil aviation has a direct relation to the creation of a military air force, and serves to create a reserve thereto.
>
> By the Air Force Regulations an individual who obtains a pilot's certificate automatically becomes a reservist.

So it must be well understood that the personnel of the so-calied civil air force is under the authority of the Department of National Defence, and if the Prime Minister has been correctly reported, these pilots automatically become members of the reserve. In other words, the civil air force is nothing but a training body for the preparation of a military air force, which I can understand quite well from a military point of view. Of course, if the object of this whole organization is to recruit aviators, train them for civil work and then keep them in the reserve so that in time of war they come under the authority of the Militia Act as a part of the air force, well and good. But I think the people of this country should be informed of that fact, otherwise we are simply beginning a repetition of what took place some fifteen years ago with regard to the naval force. It was represented in some parts of the country that this force was to be organized for the defence of the country, while in other quarters it was declared to be the most effective contribution Canada could make to the Imperial navy. One side was shown in Quebec, the other side was presented to Ontario, and there went on quite a good deal of equivocation which did not do much good, I think, for the moral unity of the people of this country. I hope we are not on the eve of a repetition of the same comedy of errors. If we mean to participate in the movement which some countries of Europe are undertaking, that is replacing the naval force, and to a large extent the land force, by aerial preparations, not only for the defence of the country but for participation in all imperial wars in coöperation with the British nation and the other nations of the empire, it is just as well that we should know it now. It is not a policy of peace, but at least it is a policy. If it is the policy of the government, those of us who are not in favour of such a policy should not be given to understand that this vote is merely the preparation of a civil air force and has no connec-

tion with the military air force. If the declarations made in London are to govern our air forces—or should I say our aerial policy?—then it means that the civil organization is nothing but a preparation for a military organization. That is what is taking place in France, that is what is taking place in Italy, that is what is taking place—I think to a certain extent although I am not quite sure—in England. As to Germany, everybody in Europe knows of course that if Germany is ever in a position to take her revenge, it will be precisely by the transformation into a military force of the enormous civil air force she is now organizing.

Mr. ADSHEAD: Has it not always been the case, in connection with naval matters, that steamships and men of the mercantile marine have been subject to conscription for service in war time?

Mr. BOURASSA: Not the personnel. The ships themselves have been subject to conscription. But in Canada nobody has ever thought that the men engaged, for example, on the government tugboats, or on small boats used for lighthouse purposes, or on vessels of the mercantile navy, formed a reserve for a war navy. Nobody has ever suggested that, and there is nothing, I think, in our laws which could make it possible. But here we have an undefined position. We have a declaration here to-day that the government is contemplating a complete separation of the civil organization and the military organization; and we have a report from the Imperial conference making the Prime Minister declare in London that there is a direct and close connection between the two services, and that as a matter of fact the civil force is a reserve for the military force. So I would be most happy—I am not criticizing; I am simply putting the two positions forward—if the Prime Minister himself would clear the matter up right at once.

Mr. MACKENZIE KING: I mentioned that in connection with our defence organization a part of the air force was doing civil aviation work; that under their regulations where the military were doing civil aviation work and the pilot received his certificate, he became a reservist in defence work. That all relates to defence; that has nothing to do with civil aviation as distinct from defence. I have just stated that the government was considering the separation of the two branches, the military and the civil aviation. What I have said will remain true as regards the military force should they continue to do civil work. But it is not proposed that they shall do civil work; it is proposed that civil work shall be carried on by aviators under a civil department of the government. A man who has learned to fly in civil aviation will be undoubtedly a useful man in time of war if men are needed for the purpose of flying in connection with the defence organization work. I do not think anyone will object to a man becoming qualified in as many directions as he possibly can. But let me point out to my hon. friend that the conference of 1923 laid down emphatically that the nature and the extent, if any, of the coöperation which this country should give in defence organization work beyond the shores of Canada was a matter for this parliament to decide, and nothing has been done at the Imperial conference that could imply we were in any way to go beyond what this parliament itself declares to be the extent to which we shall go. Nothing has been said in the conference to bind us in the matter of the use of the defence forces either on the military or on the civil side. I think that is clear.

Mr. BOURASSA: I thank the Prime Minister for his declaration. If that separation is made, the young man who will enter the civil air force and become expert will no longer be automatically a reservist?

Mr. MACKENZIE KING: Oh no, that relates to the military side only.

Mr. BOURASSA. Yes, but as the matter was put before the Imperial conference, and as it applies to the present system, it means that every pilot we employ, whether for civil or military purposes, becomes a reservist automatically. Once the separation is made, those who enter the civil air service will thereby incur no responsibility and no obligation whatever to form part of the military force?

Mr. MACKENZIE KING: Quite true.

Mr. WOODSWORTH: The present estimate is entirely for defence purposes, it doesn't at all touch the proposed civil aviation.

Mr. MACKENZIE KING: I may tell my hon. friend that the reason I interrupted the Minister of National Defence was to speak on behalf of the government as a whole on a matter of policy which we have been considering in council. If we had had a few months carefully to prepare the organization, we would have brought to this House at the present time entirely separate estimates for military and civil purposes. We have not had the time to do that, so what we have done is to take an appropriation for military purposes, which is

item 103, "air service," the amount which has just been voted, and we are taking a separate vote for the air service for civil purposes. Now that civil vote, once the contemplated organization is effected, will be available only for the work that is carried on for civil aviation. None of it will be available for military aviation work. Whether this civil aviation vote will be put under the present Minister of Marine and Fisheries, or whether it will remain under the present Minister of National Defence, or whether it will be placed under some other minister, is a matter which will require time to work out, but the two things are entirely different.

Mr. MACDONALD (Kings): As to the suggestion I made, I should like to have some expression from the minister as to whether he thinks it feasible and whether it will receive consideration.

Mr. RALSTON: My hon. friend knows that I am acquainted with the general geographical location, and all these matters are worthy of consideration. It means a discussion of the subject between the Department of Railways and some other department, and would need pretty careful consideration before one could commit oneself. But the question is certainly worth considering.

Mr. WOODSWORTH: I understand that up to the present time a very considerable portion of our air force has been used, for a period at any rate, by the Department of the Interior, and other departments, for civil purposes.

Mr. RALSTON: Yes.

Mr. WOODSWORTH: If this vote is to be used for defensive purposes, it is not really an increase of $675,000 odd, but an increase of a much greater amount. That is, it means the creation of a purely defensive force which will devote all its time to defence purposes.

Mr. RALSTON: Yes, but to the extent that the overhead and the training of the air force personnel is for the benefit of the service which is represented in 103 and 103a, it is impossible to separate them.

Item agreed to.

Battlefields memorials, $200,000.

Mr. GUTHRIE: There is a vote for battlefields memorials, and in the supplementaries which we have not yet reached there is an item in regard to the walls of the city of Quebec. I understand that while we are voting money for the restoration of those walls, there is being built in Quebec a theatre called the Auditcrium theatre and they are actually using the material of the Quebec city wall in order to build that theatre. Would the minister make some inquiries about that and let us have the facts?

Mr. RALSTON: I shall be glad to do that.

Item agreed to.

DEPARTMENT OF CUSTOMS AND EXCISE

Customs and Excise—salaries and contingent expenses of the several ports in the Dominion, including pay for overtime of officers notwithstanding anything in the Civil Service Act,—and temporary buildings and rentals, $6,919,181.

Salaries and travelling expenses of inspectors of ports and of other officers on inspection, preventive service and in connection with the board of customs; the latter including salaries of $1,000 each for three members and $500 for the secretary, $862,510.

Miscellaneous—printing and stationery, subscriptions to commercial papers, flags, dating stamps, locks, instruments, etc., for various ports of entry, express charges on samples, stationery and legal forms, legal expenses, premiums on guarantee bonds, and uniforms for customs officers, $600,000.

To provide for expenses of maintenance of revenue cruisers and for preventive service, $376,510.

Special preventive service—amount required to create positions and make appointments of officers for the prevention of smuggling and to investigate reported frauds against the revenue, notwithstanding anything contained in the Civil Service Act and the said positions and staff so appointed to be wholly excluded from said act; also to provide for expenses of such officers and for the purchase or charter of vessels and for the purchase or hire of automobiles to be used in the prevention of smuggling or other offences against the revenue laws, $350,000.

Amounts to be paid to Department of Justice to be disbursed by and accounted for to it, for secret preventive service,—amount required to create positions and make appointments of officers for the prevention of smuggling and to investigate reported frauds against the revenue, notwithstanding anything contained in the Civil Service Act and the said positions and staff so appointed to be wholly excluded from said act, $100,000.

To provide for the administration of the Business Profits War Tax Act, 1916, and the Income War Tax Act, 1917, and amendments thereof, and authority for this purpose to create positions and make appointments, notwithstanding anything contained in the Civil Service Act, and the said positions and the staff so appointed are hereby wholly excluded from the operation of the said act and salary of $6,500 for the Commissioner of Income Tax, $2,000,000.

Mr. ERNST: Are appointments to the special preventive service to be made as a matter of political patronage or on the basis of efficiency?

Hon. W. D. EULER (Minister of Customs and Excise): The item explains itself; it says: "notwithstanding anything in the Civil Service Act".

Mr. ERNST: In my constituency on the recommendation of the former member a man was appointed a preventive officer who was twice convicted of being a boot-legger.

Mr. EULER: If that is the case and the hon. member can prove it to me, that man will be discharged immediately.

Mr. ERNST: He has been discharged, but I did not want a repetition.

Mr. EULER: I am glad to know he has been discharged. Efficiency is to be the first consideration in the employment of any of these men.

Mr. ERNST: He was discharged during what the minister might call the interregnum.

Mr. HANSON: Is the appointment made on the recommendation of a member of parliament?

Mr. EULER: I am quite willing to accept recommendations from members of parliament.

Mr. MacNUTT: Do I understand the minister to say that the government will dismiss an official on the recommendation of a member of parliament? I have received this morning from a friend in the county of Guysborough a letter which I wish to place on Hansard. It is dated Sonora, Guysborough county, April 6, 1927, and it reads:

Dear Mr. MacNutt:

I am forwarding you letters re my dismissal as customs and excise officer for Sonora. You will note by the letter I have been dismissed for political partisanship. This charge is not true as I have been following section 32 of the Civil Service Act, 1918.

And so on. This letter is signed Clarence Frank Burns. The letter dismissing him is dated March 4, 1927, and reads as follows:

I have the honour to advise you that an order in council was passed on March 1, 1927, dispensing with your services as customs-excise enforcement officer at the preventive station of Sonora, N.S., for active political partisanship, contrary to the provisions of section 32 of the Civil Service Act, 1918, as amended.

Your services will therefore require to terminate immediately upon receipt of this letter.

I have the honour to be, Sir,
Your obedient servant,
(Sgd.) G. W. TAYLOR,
Acting Deputy Minister.

Mr. Burns wired back denying the charge and asking for an investigation. His request for an investigation has evidently been refused, for he received the following letter from the Acting Deputy Minister of Customs dated March 30, 1927:

SIR:

I beg to acknowledge the receipt of your telegram of the 10th instant respecting your dismissal on account of political partisanship.

You are advised in reply that when a member of parliament has made a charge, in writing, that to his own personal knowledge an officer has been guilty of active political partisanship, the policy of the government is to dismiss such officer and your services were dispensed with in accordance with such policy.

I happen to know this young man very well and I am very much surprised to find that he has been charged with political partisanship. I would like to know if the minister has refused to give this young man an opportunity to disprove the charges made against him.

Mr. EULER: I would say to my hon. friend that the minister would never refuse a hearing to anyone who has any complaint to make. At the same time it is only fair to say that the practice and policy of the government is outlined in the letter. If a charge of political partisanship is made by any member of the House, and he states that of his own personal knowledge the man has been guilty of political partisanship, dismissal takes place.

Mr. HANSON: If any member of the House takes the responsibility of making such a charge, the minister's reply is that that officer will be dismissed without further investigation?

Mr. EULER: That, I understand, is the policy of the government. At the same time, I repeat what I said at the outset, that there is no intention whatever of refusing an investigation to anyone who asks for one.

Mr. HANSON: I would like to ask the minister with respect to this vote of $350,000, having regard to the vote of $881,835 in the supplementaries. That is a huge sum of money to ask parliament to vote without any adequate explanation. The two votes cannot be separated; one is supplementary to the other, and here is nearly $1,000,000 which the minister asks to spend. I think we ought to know what he is going to do with it.

Mr. EULER: I would have made an explanation earlier if hon. members had not taken the floor. This item of $350,000 which appears in the main estimates is exactly the same amount as was voted last year, and I think the year before. The reason why we have an additional sum in the supplementaries is that at the time when the main estimates were made up we had not decided just what further amount would be required. The work

undertaken by the consultative committee appointed by my hon. friend from Vancouver Centre, who was then in office, has been of considerable magnitude, as well as the duty that has fallen to myself to decide just what measures we should take with regard to the special preventive service. In the meantime the main estimates had to be made up, so we put in the same amount as we had in last year. In the supplementary estimates we have an item of $800,000 odd, which I will explain, if it is the desire of the committee, when we come to the item. As every hon. member will understand, it is the wish, I think, of parliament, as it certainly is the desire of the country, that we take every measure possible to curb and stop smuggling. The $350,000 which was voted in former years is not sufficient to do that work properly. It may be that the amount we are asking in the supplementaries is more than we shall need, but it was our intention to ask sufficient from parliament so that we could carry out the work properly. I want to assure my hon. friends also that it is not the intention to spend one dollar more than is necessary, but we would like parliament to show sufficient confidence in the department to give us sufficient money in order that we might carry out the object which the whole country and parliament wants to serve, namely, the stopping of smuggling.

Mr. HANSON: I am not objecting to the department taking the money to prevent smuggling, but what are they going to do with the money? In New Brunswick, on the gulf of the St. Lawrence, we are in close proximity to St. Pierre, Miquelon, and wholesale smuggling has been going on from these islands into the county of Kent, and from there distributed not only through the adjacent counties, but all over the province of New Brunswick and into the state of Maine. That smuggling has been going on without let or hindrance for months, yes, for years, until it is a byword in that province of New Brunswick. No real business-like attempt has been made to meet the situation. What is the minister's plan with respect to that traffic, which I can assure him has assumed wholesale proportions, so great indeed that it is alleged that one man in the traffic has practically become a millionaire?

An hon. MEMBER: What is his name?

Mr. HANSON: I could name him if necessary, but the hon. member for Kent can tell you his name because this man elected him.

Mr. CANNON: Is the hon. member referring to Doucet, by any chance?

Mr. HANSON: No.

Mr. EULER: If I may be permitted, it is perfectly well known to myself, as it is to every other hon. member who is following the course of events, that there is a great deal of smuggling going on such as my hon. friend refers to, and more particularly in the maritime provinces, and I am now trying to obtain the money so that I can get the men to enable us to put a stop to that traffic. Up to the present time we have not had sufficient money to get the organization to do the work as we want to do it, and that is exactly the purpose of bringing in these estimates. Our plans are not complete, being still subject to some qualification and variation, but we propose to put along the whole boundary line of Canada and the United States, in the maritime provinces and on the seaboard, a force of men which we think will be sufficient to cope with that evil, in a reasonable way, at least. It means not only putting on a force of several hundred men, but the obtaining of vessels to be used in the prevention of smuggling. It means also the obtaining of automobiles, perhaps 25 or 30 in number, for the purpose of patrolling the border and the roads in the maritime provinces. That is the organization we propose to build up as we are able to do so once the money is voted and the men can be obtained. For the benefit of the committee I may say that the framework of the organization is fairly well completed, but we have not yet clothed it with the men and officers. Nor have we been able to secure vessels. It is not so easy to secure suitable vessels, and it would take too long to build them, so we shall have to arrange to purchase or charter these boats. We propose to divide the whole country into districts: Nova Scotia combined with Prince Edward Island will form one district, under a sub-chief; New Brunswick another district, with probably the inclusion of the Gaspé peninsula in Quebec; Quebec another, Ontario another, the three prairie provinces another, and British Columbia still another. That gives a very brief outline of what we propose to do.

Mr. IRVINE: Has it been the general practice since the Civil Service Act was passed to make these appointments regardless of that act, or is this a special departure?

Mr. EULER: We are asking for the passing of these estimates in exactly the same way as they were passed last year and the year before.

Mr. MACDOUGALL: How much time do these preventive officers devote to their duties? Are they full-time men, or do they work one day or one week, or how much?

Mr. EULER: With the exception of about half a dozen officers, we propose that they shall use all of their time in this work.

Mr. MACDOUGALL: Take the case of a man who devotes all his time to a very large mercantile business. Would the minister consider him a suitable man to appoint as preventive officer, particularly when he was formerly associated with the liquor trade.

Mr. EULER: Does my hon. friend suggest that he carries on his mercantile business and is also expected to give all his time to the preventive service? That is impossible.

Mr. MACDOUGALL: He is carrying on the mercantile business, and is giving none of his time to the other work.

Mr. EULER: Is he a full-time man?

Mr. MACDOUGALL: That is what I am asking.

Mr. EULER: If my hon. friend will give me the particulars I will see that that is remedied.

Mr. MACDOUGALL: He gets $100 a month, and is supposed to be a preventive officer under the department in my county.

Mr. EULER: If my hon. friend will give me his name privately—or publicly, if he wishes—I will investigate the matter.

Item agreed to.

Amount required to pay the firm of Clarkson, Gordon and Dilworth for work in connection with the reorganization of the Department of Customs and Excise, $50,000.

Mr. POWER: I would like considerable explanation from the minister as to the future progress of this investigation. This is a vote of $50,000 to pay the firm of Clarkson, Gordon and Dilworth. In another item we have a vote of $60,000 I think. Moreover we have two votes of well over $150,000 to defray the cost of this investigation. How much more are we going to pay for this investigation. We have been inquiring into the affairs of the Customs department for well over a year. I do not think we have wasted our time or our money, but there should be some finality. The minister has come down with a new law, the most drastic, I think, that has ever been brought before this House. He assured us that with this law he thought he could cope with the smuggling. Moreover, he has completely reorganized his department because he did not like the name of it. He thought there was a blot on its escutcheon and he changed the name. What more can we obtain by further investigation? We have found out that bootlegging is rampant in this country and that smuggling has been carried on almost unchecked. We know that. I do not know what in the world is to be gained by inquiring into it further.

Mr. HANSON: We might assist in the enforcement of the Volstead Act.

Mr. POWER: We may be able to be of some assistance to the United States by showing them just where the liquor from this country flows into the United States. But why spend good Canadian money for that purpose? Without entering into the details and without seeking to criticize a brother member of the bar, I think it is time that we put a stop to the large fees paid in this connection. I would be the last to criticize a fee of $200 a day to a member of the bar who was carrying on work proper to a member of the bar, but when he is delving into the filth and dirt of bootleg business, for purposes which are peculiarly his own, in order that he might be able to show to the people of this country that this business has been carried on extensively,—something that we all know—I do not think we should pay him $200 a day for his own enjoyment, and that is what it amounts to. The gentleman who is carrying on this investigation must, I am sure, obtain the greatest possible enjoyment out of it. For years he has been preaching prohibition and prohibitory legislation. He now has a chance to chase the demon rum right into his lair. He can show the evil effects of it, and hold himself up to the citizens of the United States, as he has already done, as being the greatest champion of temperance throughout the world. It seems to me the government of Canada knows enough about smuggling and that we need no longer pay $200 a day to this gentleman in order to find out more. Personally I object to any further expenditure under this head. The people of Canada are nauseated with the details of this investigation, and I think it is the duty of the minister, now that he has reorganized his department, changed its name, and knows just what steps he should take in order to stop the nefarious traffic, to close up the investigation at the earliest possible moment. Will the minister state how long he expects this commission to last, and how long he expects to be obliged to pay $1,500 to $2,000 a day in order

to gratify the desire of one or two gentlemen to show the people of Canada that in their uplifting, reforming legislation of some years ago they were quite right?

Mr. EULER: I am afraid my hon. friend is labouring under somewhat of a misapprehension. The item under discussion has nothing whatever to do with the gentleman to whom he has referred, nor to the royal commission investigating the customs department.

Mr. BENNETT: To whom did he refer?

Mr. EULER: I do not know, but I draw certain inferences of my own. This investigation has nothing to do with the royal commission; it deals only with the reorganization of the department. I will give the House the items very briefly. It does not deal specifically with smuggling at all, but with the reorganization of the department right here in Ottawa and the bringing of the whole department up to date. Certain investigations were carried on with regard to importations at Vancouver. There was a prosecution of certain offenders at Montreal in connection with irregularities, and prosecutions of persons and firms as recommended by the special committee of the House last session.

Item agreed to.

To provide for payment, notwithstanding anything contained in the Civil Service Act, to E. D. Lennie, acting collector of customs and excise at Montreal, $1,200.

Mr. GUTHRIE: Can the Minister of Finance say how he stands in regard to these estimates?

Mr. ROBB: I have not looked at them yet.

Mr. GUTHRIE: Are they in order for discussion is the point.

Mr. ROBB: I am told by the Clerk that the resolutions are not prepared. If the House is ready to accept them, though, there is no objection to their going through.

Mr. COOTE: We cannot hear that down here.

Mr. GARDINER: What is the explanation for this item?

Mr. EULER: Mr. Lennie was sent to Montreal to act as collector after the position there became vacant. This is additional pay to compensate him for additional responsibility.

Item agreed to.

Customs and Excise—special preventive service—amount required to create positions and make appointments of officers for the prevention of smuggling and to investigate reported frauds against the revenue, notwithstanding anything contained in the Civil Service Act and the said positions and staff so appointed to be wholly excluded from said act: also to provide for expenses of such officers and for the purchase or charter of vessels and for the purchase or hire of automobiles to be used in the prevention of smuggling or other offences against other revenue laws—further amount required $881,835.

Salaries and travelling expenses of inspectors of ports and of other officers on inspection, preventive service and in connection with the Board of Customs—and amount required to create positions and make appointments of Dominion appraisers notwithstanding anything contained in the Civil Service Act, and the said positions and staff so appointed to be wholly excluded from said act—further amount required, $100,000.

To pay Mrs. Charles E. McDonald, the widow of C. E. McDonald, sub-collector of customs and excise at Port Borden, P.E.I., who was killed, a compassionate allowance, $500.

To pay Mrs. W. J. Irwin, the widow of W. J. Irwin, customs excise examiner at port of Edmonton, Alta., who was killed, a compassionate allowance, $500.

To pay Mr. Joseph Laurent Doiron, customs excise enforcement officer of the preventive service staff at Matapedia, P.Q., a compassionate allowance for the loss of his right arm, due to an accident while on duty, $500.

To provide for expenses of maintenance of revenue cruisers and for preventive service—further amount required for the appointment of Mr. F. W. Cowan as chief, customs excise preventive service, notwithstanding anything contained in the Civil Service Act, with salary at the rate of $5,000 per annum, effective March 1, 1927, $5,416.66.

Mr. GEARY: Why are these appointments excluded from the Civil Service Commission?

Mr. EULER: We are following the same practice as last year. But I might add that it would be utterly impossible to get the service organized within five or six months if we had to depend upon the Civil Service Commission to make the appointments. In order to get quick action it is necessary to make the appointments outside the commission.

Mr. GEARY: What happens to the returned soldier's preference in such cases?

Mr. BENNETT: Pay no attention to it.

Mr. GEARY: I hope the minister is keeping in mind that the policy of this parliament has been to give the returned soldier preference in civil service appointments.

Mr. EULER: When the appointments are made I think the hon. member will find that

a very large proportion of them will be returned soldiers. I am not giving any particular guarantee at the moment. I am anxious to get absolutely efficient men as quickly as possible.

Mr. GARDINER: Is it the intention to bring them under the civil service eventually?

Mr. EULER: I am not prepared to say that at the moment.

Mr. GUTHRIE: It is just a hand-out to their own friends.

Mr. BENNETT: These are political hand-outs.

Mr. GARDINER: Is it the intention of the government to bring these appointments under the Civil Service Commission eventually in view of the statement made by the minister that under the present conditions it is impossible to secure these men from the Civil Service Commission in time to reorganize the staff? That would indicate it was the intention of the government to restore these positions in time to the control of the commission.

Mr. EULER: It would not be a case of restoration because these appointments never have been under the Civil Service Commission. It is not the intention that these appointments should be made by the commission, for the reasons given and for others that I could give. As to what might be done next year, or some following year, I am not in a position to say now.

Mr. HANSON: The minister says it is impossible to have these appointments made through the Civil Service Commission. Has he ever consulted with the commission in regard to the appointment of the staff under this vote?

Mr. EULER: The plan we are working under now was advanced by a committee of which the chairman of the Civil Service Commission was a member.

Mr. STEWART (Leeds): Why does the minister think the Civil Service Commission cannot get competent men just as quickly as he can?

Mr. POWER: They don't know the bootleggers.

Mr. BENNETT: I would remind the minister that there is a large number of names on the civil service list of men eligible for appointments such as these. I happen to know several young men that have gone through the universities and taken special courses in commerce and economics, hoping they might secure employment in their own country. My attention has been directed to four or five young men particularly for whom there are no vacancies, but their names are on the eligible list. I do not say this offensively, but to reward political services with appointments of this character is not quite fair when a large number of eligible names are on the civil service list, especially when those men have endeavoured to qualify themselves for positions of this very character. They will be shut out.

Mr. EULER: No.

Mr. BENNETT: I know human nature. The minister, strong man though he is, will not be able to resist the pressure of political friends who will say, now, here is our chance, let us take advantage of it. The minister knows this is so, and I was hoping he might not put himself in a position where pressure could be exercised upon him. With his back against the wall and the grim determination that characterizes him he will make a valiant fight; but what is the use when he will yield in the end? These young men should be taken care of.

Mr. EULER: It does not follow that the young men my hon. friend refers to will not have an opportunity to send in their applications.

Mr. BENNETT: I am afraid they have not much chance.

Mr. EULER: A university education is not necessary to qualify men for these jobs.

Mr. BENNETT: I do not say so.

Mr. EULER: We will need men who will be more or less policemen. I do not say they will be disqualified; they might be suitable. To the extent they are they will get consideration.

Mr. BENNETT: It will be political consideration.

Mr. EULER: I am not saying that.

Mr. GUTHRIE: If the minister will look at the wording, he will notice that after enumerating the offices the item reads:

> And the said positions and staff so appointed to be wholly excluded from said act.

That is the Civil Service Act.

Mr. EULER: Exactly.

Mr. GUTHRIE: There is no question that by passing this vote we take all jurisdiction from the Civil Service Commission. I am aware, and so is my friend the minister, that there is a long list of applicants now before the

Civil Service Commissioners, and many of those men are eligible for appointments. Will the minister undertake to consult with the chairman of the civil service board and see if he cannot get a considerable number of his appointees from that list? It will clear the list up for others.

Mr. EULER: Those men are at perfect liberty to make their applications just the same as others. I suppose we have nearly a thousand from men who are anxious to enter this special preventive service. It will not inconvenience me particularly if they are added to the list. They will be considered the same as others.

Mr. GUTHRIE: But this list in the Civil Service Commissioners' office is a list of men who are qualified, and they should be entitled to a preference on that account.

Mr. BENNETT: They are on the eligible list.

Mr. EULER: There are more qualifications than are needed for the civil service itself. Those engaged for this preventive service must be men of good physique, they must be young men, they must if possible have had certain experience in this particular kind of work. I am quite sincere when I say we are anxious to get men specially fitted for this service. The ordinary civil servant—and I do not use the word ordinary in any offensive sense—is not in my opinion adapted for this work.

Mr. BENNETT: One could understand that with respect to the preventive officers who patrol the border, but one finds it rather difficult to follow the minister with respect to what he calls the staff. Certainly there must be correlation between what you may call the office work on the one hand and the patrol service on the other. Some of these men are appraisers, who certainly should have a rather wide knowledge of the theory and practice of business.

Mr. EULER: For the office work, of course, men must be found with a fair degree of executive ability.

Mr. BENNETT: Quite so.

Mr. EULER: As far as the office people are concerned, their number is comparatively small in relation to that of the whole force.

Mr. GEARY: Why cannot the Civil Service Commission make sufficient speed in this matter? By the time you cut out a few more departments the size of this, you might as well provide for the decent interment of the remains of the Civil Service Act.

Mr. EULER: The position is the same as that of the mounted police; no one would suggest that the Civil Service Commission should select the mounted police, and this work is very similar.

Mr. GEARY: I quite agree to that, nor should they select the men for the permanent force.

Item agreed to.

POST OFFICE DEPARTMENT

Post Office—outside service—salaries and allowances, including amount required to provide for salaries, reclassification, revision, promotions and increases which may be authorized by the Civil Service Commission, and amount required to cover provisions of order in council P.C. 1099 of June 27, 1924, $15,918,384.40.

Mail service, including proposed mail service by air, $14,655,000.

Miscellaneous, including Lucien Pacaud, secretary of the High Commissioner's office, as the representative of the Canadian government on the Pacific Cable Board at $1,000; and $5,000 for the payment of compassionate allowances to employees injured while in the performance of their duties, or to dependents of employees killed while on duty such payments to be made only on the specific authority of the governor in council, $1,125,675.

Yukon Territory, $150,000.

Mr. HANSON: I would like to have an explanation from the minister with regard to the wholesale manner in which he is beheading postmasters in the province of New Brunswick and particularly in the so-called French counties. As I understand it, there have been cases of the most gross injustice perpetrated since the present Postmaster General took office, particularly in his own county. I have only one case in my own county; that is the case of the postmaster at Canterbury Station, but I anticipate that before the minister is in office many years I will have a great many others. The case of which I have particular knowledge is the case of a returned soldier who was appointed by the Civil Service Commission about two or three years ago, a man well qualified for the work, who served his country overseas and who was appointed because he possessed the necessary qualifications. In the same village where he lived was another person who aspired to the position at that time, but who did not succeed in getting it; he is a man who has since gone into bankruptcy and who is to-day an undischarged bankrupt. This man who was appointed has been relieved of his duty after a hearing which was nothing more than a farce; the evidence against him was that he was taking returns on election night over the telephone, and giving them out to the neighbours; that was the only offence

of a political character reported to me. I know of my own knowledge that he took no part in the election; I especially warned him not to do so, because I knew his head would come off if anything happened.

Mr. VENIOT: How did you know who would win?

Mr. HANSON: I expected to win without question. I warned him against having anything to do with politics, because I thought discretion the better part of valour. He has been dismissed with no evidence of political partisanship, in the hope of putting another man into office who has been named to the minister by the Liberal Committee of Canterbury Station, and who has been installed as temporary postmaster. He is a man who owes everybody he can owe in that community, and a man who should not and, I think, will not be appointed to the position of postmaster. I do not think he will receive the appointment because as I understand it there is another good Liberal in the community, a returned man, who is applying for the position, and I believe that in justice to that returned soldier the Civil Service Commission will appoint him rather than the other person.

A return was brought down the other day which was very interesting. I did not know these estimates were coming up to-night or I would have brought it with me to put on Hansard. It showed that from September 24 to March 28 there have been some sixty-three dismissals of country postmasters in the province of New Brunswick. That is a very large number, and they are probably all in the northern communities. I call to mind the case of one George Chalmers, the postmaster at Charlo Station, commonly known as Charlo. I would like to explain to the House that George Chalmers is a first-class citizen and was a brother-in-law of James Reid, who for many years was a respected member of this House, sitting on the Liberal benches. If George Chalmers has any political sentiments at all they are undoubtedly Liberal, because he owed his appointment to Mr. Reid. Chalmers was dismissed, so far as I am aware, with no adequate investigation; speaking from memory, I think an inspector was sent up from Saint John, and was directed to a certain person who would give evidence against Mr. Chalmers. On the file there is a letter from that very person saying that he knows absolutely nothing as to any part taken by Mr. Chalmers in an election contest. There is also the frank admission on the part of Mr. Chalmers that he drove his family and some neighbours to the polls on election day, and did nothing more. I want to tell the Prime Minister that that man is not receiving justice. More than 90 per cent of the people who use that post office wish him to be retained. The general manager of a lumber company, the only mercantile firm in the community, a former member of the local legislature, has written to the department, and his letter is on file, to the effect that his company provides fifty per cent of the entire postal revenue of the office, and they object to the dismissal of Mr. Chalmers. I think this is a case of grave injustice, and I ask the Prime Minister himself to take ten minues and look over the file, from which he will find that this man should not have been dismissed. I do not remember who has succeeded him; I do not think anyone has been appointed permanently, but the man who wanted the job has been made temporary postmaster. Ninety per cent of the people of that community have signed a petition asking that Chalmers be reinstated, and if the Prime Minister is faithful to the memory of an old supporter and old friend he will look into the matter and will not allow such an injustice to be perpetrated on Mr. Chalmers.

[Mr. Hanson.]

Mr. VENIOT: I am a little surprised to hear the hon. gentleman pleading the case of a Liberal.

Mr. HANSON: I don't know what he is.

Mr. VENIOT: The hon. member just stated that he was a Liberal, which reminds me of the devil rebuking sin. My hon. friend will remember that a policy was laid down in 1923 and concurred in by this House, that the certificate of an hon. member stating his personal knowledge of political interference on the part of any civil servant, would be sufficient for his dismissal without an investigation. That order in council was passed in 1923; the leader of the opposition brought it to the attention of the House, and after a full discussion it was concurred in. That is what I am acting on.

Mr. HANSON: I do not recall any such thing.

Mr. VENIOT: I do, because I read it, and if the hon. member will look up Hansard he will find that to be so. The then leader of the opposition asked the Prime Minister if that applied to both sides of the House, and the answer was yes. Now that goes back as far as 1897. Now my hon. friend seems to be very solicitous with respect to postmasters and the justice they

should receive. Allow me to say that my hon. friend's own friends, from the 30th of June up to the end of their short reign on the 25th of September last, were not so solicitous of postmasters in this province as he himself appeared to be.

Mr. HANSON: I can only say that I asked for no dismissals of postmasters.

Mr. VENIOT: My hon. friend feels that an injustice has been done Mr. George Chalmers, a gentleman that I know better than my hon. friend does. If he considers that an injustice has been done to that gentleman because he was dismissed on the recommendation of the member for the county, having a personal knowledge of his political activities, what does he think of the dismissal of postmasters in my own county during the election campaign with absolutely no notice except the receipt of a telegram?

Mr. HANSON: Two wrongs do not make a right.

Mr. VENIOT: I want to say to my hon. friend that I accept the principle that two wrongs do not make a right. I also want to say to him that he ought to be consistent, and if he condemns me for having done that, then he should condemn the previous Postmaster General for having done worse than that.

Mr. MANION: I should like the minister to give the cases that he refers to. General statements are not quite sufficient.

Mr. VENIOT: I am prepared to give them. There is the case of Mr. Frenette, postmaster at Petit Rocher, twelve miles from my own home. Hon. gentlemen opposite assumed power on the 30th of June, if I mistake not, and on the 3rd of July there was an inspector at Petit Rocher, and Mr. Frenette was dismissed on the orders of the Postmaster General of that day.

Mr. HANSON: Who was the Postmaster General on the 3rd of July

Mr. VENIOT: I think it was Dr. Manion.

Mr. MANION: I do not think so, not on the 3rd July.

Mr. VENIOT: Oh yes you were. I wish the hon. member for York-Sunbury to remain in the chamber.

Mr. HANSON: I am not leaving it.

Mr. VENIOT: Let me go a little further. During that election not only were postmasters and postmistresses dismissed, according to the record I have here, but mail contracts were cancelled and new contracts awarded without any adherence to the principle of calling for tenders. Moreover, during that very period the then Postmaster General did not hesitate—and I do not see why I should be blamed when I took my time about it—when travelling in Nova Scotia to wire from Bridgewater to his secretary here in Ottawa to dismiss so-and-so as postmistress in Nova Scotia, and to wire him when he had reached New Glasgow to see that the thing had been carried out. These are some of the incidents which took place under hon. gentlemen opposite, and yet forsooth, because I took my time about making a change, after I felt satisfied that a change was necessary in the public interest, it is a crime on my part but it was a virtue when my hon. friend opposite was in the same position that I occupy today. I know that it has been spread abroad —I have heard it in the corridors of parliament, I have heard it in the corridors of my hotel—that our friends of the opposition were going to give me a hard road when my estimates came up.

Mr. HANSON: Is that why you brought them up after midnight?

Mr. VENIOT: No, it is not. The hon. member for York-Sunbury knows I never was scared or afraid to meet my political opponents. The hon. member knows that I can take care of myself in pretty nearly any sort of combat, so that I am not afraid to bring my estimates up at twelve o'clock midnight or three o'clock in the afternoon. It so happens that they have come up and I am prepared for the onslaught of my hon. friends.

Now, my hon. friend who brought this matter up wishes to go into the history of dismissals. We have got the whole record here, and I am able to give full information. I hold in my hand a list of the dismissals made by my hon. friends—not all of them, because there are some I see before me now who were not Tories at that time; they were Liberals—but by those that were Tories when they assumed power in 1911. I have the record here of the period from 1st of October, 1911 to 31st December, 1912, and I find that there were 908 postmasters and postmistresses dismissed without investigation at that time.

Mr. MOTHERWELL: Making hay while the sun shone.

Mr. VENIOT: Then I find that from 1st of January, 1913, to 30th September, 1917, there were 696 more.

Mr. HANSON: Go back to 1896. How many were there then?

Mr. VENIOT: Go back to where?

Mr. HANSON: To 1896.

Mr. VENIOT: If I go back to 1896 I do not think my hon. friends will find there were so many dismissals of postmasters.

Mr. HANSON: There were 1,100.

Mr. VENIOT: But what about the ten or twelve thousand that were dismissed throughout the whole civil service of Canada by my hon. friends after they came into power in 1912? Our Conservative friends hold up their hands in holy horror because the Liberals have made some dismissals, but out of some 14,000 postmasters in Canada there have been somewhere around 168 dismissals made in the last six months, and those dismissals, or changes rather, were not made for political purposes. Out of the number recorded only 68 were made and stated to be made for political reasons.

Mr. BENNETT: Were there not 75 in Gaspé county?

Mr. VENIOT: There were not 75 in Gaspé county; there are not that many postmasters in the county.

Mr. BENNETT: That is the only reason, is it?

Mr. VENIOT: Perhaps if there had been that number they might have been all dismissed. The Lord only knows; I do not.

Mr. BENNETT: Thirty-six on the Speaker's recommendation.

Mr. VENIOT: No, it was not on the Speaker's recommendation, but on the recommendation of the member for Gaspe.

Mr. BENNETT: That is what I thought. They are different people I know.

Mr. VENIOT: Quite a distinction—perhaps without a difference but a distinction just the same. Take the province of Quebec. My hon. friends dismissed in a very short time no less than 600 in that province, and my hon. friend from West Calgary wants to know if there were not 75 dismissed in Gaspe. In their time they dismissed no less than 600 in that province.

Mr. BENNETT: My hon. friend is young yet.

Mr. VENIOT: I have a good memory, I think my hon. friend from York-Sunbury said I had dismissed somewhere around 63. I want to say to my hon. friend that is not all. I want to say to him that I am going to follow the Conservative practice, and wherever I find that an official in my department takes an active part in politics, or has taken it and I have the evidence—after an investigation has been held and the proof is forthcoming—he is going to go.

Mr. HANSON: All right.

Mr. VENIOT: That is the way I was treated when I was in the civil service. I was kicked out on five minutes notice in 1911.

Mr. HANSON: You have never complained about it.

Mr. VENIOT: So I learned in a very good school. I learned my lesson from my hon. friends.

Mr. BENNETT: You admit you deserved it?

Mr. VENIOT: Of course I did. I never blamed the Conservative party. I took part in politics, and I have laid down the principle that a public official who will take his official life in his hands deserves to lose his position. I want to thank the Conservative party for kicking me out at that time, because if they had not done so I would still be a collector of customs of the Dominion of Canada. I have no quarrel with my Conservative friends. They all know I did not blame them for doing it, because I have always laid down the principle that an official who takes part in politics has a right to expect to lose his job. If more of that sort of thing were done, there would be less interference in politics by public officials.

I want to be fair in this matter. I did not want to bring up these matters until they were brought up against me, and I feel that in self defence I have a right to bring them up. I do this without any ill-feeling at all, and without wishing to have any recriminations in the matter but merely to show what the record is. I know a number of questions will be put to me in connection with these dismissals, and I want to say that in no case where a dismissal has taken place since I have been in charge of the Post Office Department, has that dismissal occurred without my making some searching inquiries.

As regards Canterbury in York county which was referred to by the hon. member for York-Sunbury (Mr. Hanson), I know the two gentlemen in question, and although the one who is now temporarily in charge of that office may have been a bankrupt, that has been the case of many a good and honest man in York county. My hon. friend has no right to reflect upon the standing of that gentleman because perchance he may have got into financial difficulties.

Mr. BENNETT: The hon. member said that he was an undischarged bankrupt.

Mr. VENIOT: There was no necessity to refer to that, but there was an object in doing so. An investigation was made in regard to the gentleman who held the office and the report of the commissioner shows that he was found to be guilty of political interference or activities. Acting upon that report I had an order in council put through dismissing the postmaster.

Mr. HANSON: What about George Chalmers' political activities?

Mr. VENIOT: He was dismissed on the certificate of the member for the constituency stating that he had personal knowledge of the political activities of Mr. George Chalmers.

Mr. HANSON: After the failure of an investigation to disclose any political activities. Is that not correct? I have the file under my hand.

Mr. VENIOT: All I look for is the report of the commissioner. Does he not state in that report: "I find the official guilty of political partisanship"?

Mr. HANSON: I have a copy of the file, which opens with a letter from the Postmaster General to the deputy under date of January 8, 1927, stating:

I desire to have an investigation made into the conduct of George Chalmers, postmaster at Charlo station, Restigouche county, N.B., and I submit as one of the principal witnesses, the name of Louis Giroux, Charlo station, N.B.

Mr. VENIOT: That is a request for an investigation into the conduct of the office, not into political activities.

Mr. HANSON: The letter does not say so, and I have read it all. A letter follows on the file from the chief superintendent of the postal service to the district superintendent at St. John, N.B. stating:

Will the district superintendent please have immediate inquiry made into this matter, it being understood that Mr. Louis Giroux, of Charlo station, will be one of the principal witnesses.

That investigation was held and I think Mr. Griffiths was the gentleman who made the investigation. The file contains a copy of his report, which I would like to read. This is the report of the superintendent when the investigation was made. It is dated at St. John under date of January 27, 1927, and it is addressed to the chief superintendent of postal service. It reads:

Re Charlo Station, N.B.

DEAR SIR:

In reply to departmental memo. of the 13th of January and in compliance with instructions contained therein that an investigation be held into the conduct of Mr. George Chalmers, postmaster of Charlo station, and that Mr. Louis Giroux of that place would be one of the prinicpal witnesses, the chief superintendent is informed that inspector H. B. Peck visited the locality on the 24th and 25th instants, and herewith submitted are copies of evidence obtained by him.

The inspector called on Mr. Louis Giroux who expressed surprise that his name was mentioned in the matter and stated that he being the mail contractor between Charlo station and post office, as well as River Charlo, was in close touch with the way the affairs of the office were conducted by the postmaster with whom he was on intimate terms and could only speak in the highest manner of his efficiency.

Mr. Louis Giroux not having any witnesses to produce was asked by the inspector if he could refer him to anyone else in the community who might have complaints to make and was advised to see Mr. Alexander Giroux.

I might say in passing that the file discloses that Mr. Alexander Giroux was the gentleman behind the guns who wanted the job and who is now, I believe, temporary postmaster. The report continues:

The latter was seen and stated he was an applicant for the postmastership and would make a statement himself and obtain evidence from others of political activity on the part of the postmaster.

Enclosed affidavits are from patrons of the office produced by him.

The inspector interviewed the postmaster in regard to these charges and he freely admitted that he used his car on election day and hauled voters on both sides of politics to the polls and that apart from this he had refrained from taking any part in the election and did not canvass or try to persuade any one to vote for any party.

An inspection of the office was made and the affairs of same found very satisfactory.

The inspector could find no one who had any complaint to make in respect to the conduct of the office or the postmaster and all spoke highly of the manner in which the public was served, the only charge being as stated in the declarations submitted that the postmaster used his car on election day to take voters to the polls.

This is the statement of Alexander Giroux, the man who was an applicant for the position, taken under oath on the 25th January, 1927. He said:

I, Alexander Giroux, of Charlo station, make oath and say that on the day of the last Dominion election I was driving a car in the interest of the Liberal party, and I met George A. Chalmers, postmaster of Charlo station post office, driving voters to the polls in his automobile.

I have no complaint to make regarding the manner in which the post office is conducted by him.

Mr. VENIOT: Before whom was that taken?

Mr. HANSON: Before Mr. H. B. Peck, inspector of postal service; the file as brought down does not disclose that there was any other investigation into this case, and I take it for granted that is correct.

Mr. VENIOT: There was none.

Mr. HANSON: I have not read the file for a few days, and subject to further pesusal of it I want to say that the only thing on file is a statement from the member for the county that the man was guilty of political partisanship on election day. But, this is the evidence that he drove voters to the polls of both political parties and no more. Surely he has the right of citizenship.

Mr. POWERS: He is guilty of double political partisanship.

Mr. HANSON: He denied absolutely that he had taken any partisan position, but he had driven his family and some of his neighbours to the polls. Surely that is not denied to him. I want to ask the Minister of Finance if he remembers James Reid? This gentleman was his brother-in-law, appointed by him.

Mr. VENIOT: No.

Mr. PARENT: What difference does that make?

Mr. HANSON: It shows that he was if anything a Liberal. I have many friends in the Liberal party, and I hope I shall always have.

Mr. POULIOT: It is a case of transfusion of blood.

Mr. HANSON: The hon. member for Temiscouata had better keep quiet. He opens his mouth and puts both feet in it. All the evidence that the man who wanted the job produces is that he saw this man driving voters to the poll in his car. He went on and swore that he had no complaint to make with regard to the manner in which the office was conducted. There are other documents here. There is a statement of Donald Poirier which absolutely proves nothing. There is a statement of Joseph McIntyre. He swore that he saw him in the car and that it was going to the polls. There is the statement of Louis Giroux, whose name was given to the Postmaster General as being the man who was convicting this postmaster of partisanship. He states in his memorandum—I do not see that it is sworn to—that he was not at that poll that day and knew nothing of what Mr. Chalmers did on that day, and had never discussed politics with him. I do think this is a case of injustice. I believe the minister has done wrong, and I wish he would be frank enough to correct the injustice. I have no personal knowledge of George Chalmers; I do not know him at all, but the people of River Charlo, the Continental Lumber Company, the Hon. Mr. Currie, an ex-Speaker of the legislature and a Liberal to the backbone, as the Postmaster General knows, all feel very strongly about this, and furthermore, Mr. Currie believes that the public service has suffered because of the removal of the post office from its previous location to the place of business of Giroux, which they say in the petition filed is not a fit place for the post office to be. I do not know anything about it personally.

Mr. VENIOT: I do not want to continue this discussion at any great length, but let me say to the hon. member for York-Sunbury that the post office inspector was not sent to Charlo to investigate into the political activities of the postmaster, but into his administration of the post office. He perhaps went a little further, but I might say to my hon. friend that no investigation is ever held by any post office inspector into the political activities of a post master or postmistress. That kind of investigation is held by a special investigator named by order in council under the regulations adopted in 1923. So far as Mr. George Chalmers taking no political part in the election is concerned, my hon. friend is restricting his remarks entirely to polling day.

Mr. HANSON: That is all the file shows.

Mr. VENIOT: I know more about Restigouche and political activities in that county than does the hon. member or any other member of this House, and I know just about who those are who take an active part in politics in that county not only on election day but on other days of the year, and when the hon. member for Restigouche writes me a letter over his own signature to the effect that he has personal knowledge of the political activities of this gentleman, I will accept his word before the word of those who merely sign a petition. Further, I have received a counter-petition, marked "Confidential," signed by a good many of those who signed the Chalmers petition, telling me that they did not want their names used, but that they could not refuse to sign the petition.

Mr. HANSON: The minister should not refer to a confidential communication unless he is prepared to put it on the table.

Mr. VENIOT: I can when I do not name the individuals.

Mr. ERNST: Table it.

Mr. VENIOT: I only refer to it to show how easy it is to get people to sign a petition for or against. Having acted in this case, I can assure my hon. friends that I feel perfectly justified in having taken the action I did. My hon. friend refers to Mr. George Chalmers as being a brother-in-law of Mr. James Reid, who was once the representative of Restigouche in this House. I know Mr. Reid. I conducted his campaigns in Restigouche county when he ran his first and his last election, and I want to say to my hon. friend now, in the presence of all these members and have it go to the country, that Mr. George Chalmers, although he is a brother-in-law of Mr. Reid, was not supporting him when he was running his election, and I know it. I cannot state that Mr. George Chalmers lately has taken any part in politics; I do not know of my own knowledge, but I do rely upon the word of the hon. member for that county, and I feel that I acted properly when I brought about this dismissal. Since my hon. friend has brought up the bad qualities of the Liberals, and suggested all sorts of political intrigue and patronage on their part in trying to get jobs for their friends—

Mr. HANSON: I did not say that.

Mr. VENIOT: Oh yes, you did. What is the use of trying to get away from it? Let me draw the attention of my hon. friend to some of the intrigues of his own political friends when they were in power. I hold in my hand a letter written by one of the most important members of the opposition touching a mail contract, when they were in power in 1921. The list of contractors shows that there were no less than six or seven tenderers. One man in particular tendered for $1,500 for that route. Three others tendered below him, the lowest tender being $543 below him, but the $1,500 tenderer got the contract. Why? Because the following letter was written:

> Some time ago you told me that you had two tenders for this route at $1,500 each, and asked me which should get it. I said I was going out to that part of the country and would make inquiries regarding the two men and let you know. I did so and found that every person, and I consulted eight or ten—

It must have been a very small district:

> —wanted Mitchell to continue. I told them their wishes would be complied with, and it is of the greatest importance to me that he gets the contract.

And he got it:

> The man mentioned by your assistant as having tendered is not considered reliable, and the people of Bedford township do not want him at any price.

He was a Liberal; that was the reason. The letter continues:

> I hope you will award the contract to Mitchell at once and greatly oblige.

That was signed by J. W. Edwards, the member for Frontenac, I guess. Let me go a little further.

Mr. ERNST: You will have to go a lot further before you are through.

Mr. VENIOT: I have nothing to fear from my hon. friend in that respect.

Mr. POULIOT: He is young.

Mr. VENIOT: He is rather young.

Mr. ERNST: I have not learned those ways yet, and I hope I never will.

Mr. VENIOT: Well, I want to say to my hon. friend that he did try to learn them, because I have received a letter from him.

Mr. ERNST: Quote it.

Mr. VENIOT: Let my hon. friend keep his seat.

Mr. ERNST: Read the letter.

Mr. VENIOT: I received a letter from my hon. friend in connection with a mail contract in Nova Scotia.

Mr. ERNST: Read it.

Mr. VENIOT: My hon. friend laid down the principle that a government, any more than a private individual, could not terminate a contract at will, and he wanted to know why I had cancelled a certain contract in his constituency.

Mr. ERNST: Several.

Mr. VENIOT: Yes, and I will cancel more if I find them the way I found that one. I wrote to my hon. friend that I had cancelled the contract following the very principle he had laid down, that his party when it came into power had cancelled the contract which had been duly signed and executed.

Mr. ERNST: I should like the minister to read my letter to him, read his reply, and then read my letter in reply to his. There is a file of three letters.

Mr. VENIOT: I wrote my hon. friend concerning a notice on 12th October sent by Mr. McLellan, the district superintendent, to

Walter McDonald, mail contractor in Nova Scotia. My hon. friend wrote me saying:

Mr. McDonald is at the present time enjoying a contract for carrying mails between Port Joli and St. Catherine's River. This contract was renewed for a period of three years during the time that the Hon. Doctor Manion was Postmaster General.

Mr. ERNST: No.

Mr. VENIOT: Yes, and Mr. Manion, Postmaster General, stated here that he cancelled the contract on request of my hon. friend.

Mr. ERNST: Nothing of the kind.

Mr. VENIOT: I am sure he would not have done it of his own motion.

Mr. ERNST: There was no contract cancelled. There was an expiry.

Mr. VENIOT:

The notice referred to was a notice of termination at the expiration of three months; that is to say your department appears to have dispensed with Mr. McDonald's services after the 15th of January, 1927.

I would be very pleased if you will inform me for what reason this has been done. Mr. McDonald is, I believe, a faithful servant and has given entire satisfaction. Further, I cannot understand why a department of the government any more than a private individual can terminate a contract at will.

That is a reason I could understand. That is why I terminated this one. The letter continues:

I do not, however, wish at the present time to press the matter of Mr. McDonald's right of action, but merely to try to secure justice for him through you, by having the notice of termination cancelled. If this is not done, I assure you that I shall have no alternative other than to press the matter further by every means at my disposal.

That did not scare the Postmaster-General. He wrote my hon. friend for Queens-Lunenburg on the 17th of November as follows:

I beg to acknowledge receipt of yours the 26th ultimo, with reference to the contract for mail service formerly held by Walter McDonald. I note you wish to know the reason why this contract to McDonald was cancelled, and you add: "I cannot understand why a department of the government any more than a private individual can terminate a contract at will".

McDonald held a contract which was to expire on 30th September, 1926. As usual the notice of its expiration was given three months in advance, around June last. Mr. Duff, who was then member of parliament, recommended that renewal be given to Mr. Mark Therian, service to begin October 1st.

That is the practice in the department—renewal or calling for new tenders three months in advance.

Mr. ERNST: May I ask—

[Mr. Veniot.]

Some hon. MEMBERS: Order.

Mr. ERNST: I was wondering about the tenders.

Mr. VENIOT: There were no tenders. I am not trying to hide anything. It was transferred, just the same as my hon. friend during the last campaign transferred 254 contracts without tenders. The letter continues:

These instructions were issued June 26th and the contract executed in the usual way, effective September 1st. On August 5th you wired recommending that this contract be renewed with Mr. McDonald. Your request was submitted to Doctor Manion, then Postmaster General, and he issued instructions to renew contract with McDonald, completely ignoring contract entered into with Therian. Going on the principle that you "cannot understand why a department of the government any more than a private individual can terminate a contract at will", an order was issued on October 2nd restoring the contract to Mr. Therian.

This is the history of the case. It is not my intention to cancel that order as you would seem to suggest, because I claim there was justification in the first place to cancel the Therian contract.

Mr. ERNST: Will the minister read my reply to that letter?

Mr. VENIOT: I have not my hon. friend's reply, I am sorry to say, but the reply was along the lines of his first letter, only a little more severe and threatening.

Mr. ERNST: Not threatening, but asking why the minister did not ask for tenders in accordance with the practice of the department.

Mr. VENIOT: Why did my hon. friend not ask the former Postmaster-General why he did not call for tenders?

Mr. ERNST: Why the change without even asking for tenders?

Mr. VENIOT: It is done right along on small contracts.

Mr. ERNST: It is being done now certainly.

Mr. VENIOT: It was done to the tune of 254 by my hon. friend's friends between the 3rd of July and the 14th of September.

Mr. MANION: I rise to a question of privilege. The minister has been making statements many of which he cannot substantiate. He has brought me into this discussion half a dozen times to-night. He thinks he can dismiss everything we say on this side with a wave of his hand. He has just made a statement that we cancelled 254 contracts.

Mr. VENIOT: No.

Mr. MANION: The suggestion is that we cancelled 254 contracts.

Mr. VENIOT: No, no.

Mr. MANION: What did my hon. friend say?

Mr. VENIOT: I said that during that time 254 mail contracts were renewed without calling for tenders.

Mr. MANION: That is a different matter altogether.

Mr. VENIOT: That is what I said.

Mr. MANION: My hon. friend did not give that impression to hon. members on this side of the House. I wish to say a few words now, in order to do justice to myself. I have sat here for an hour listening to the minister delaying his own estimates, talking big and throwing out statements about my having dismissed many officials and changed contracts, and giving us no substantiation whatever for the assertions made. I make the statement that there was no wholesale dismissal of postmasters in any shape or form in my time. I do not say that there were not some dismissals. I admit frankly in some cases where people came to me pointing out that a certain postmaster had been made president of a Liberal association or something of that kind, there would be a dismissal. I remember one or two cases but cannot remember the details. The minister has a great advantage over me because he has all kinds of papers and I have nothing but my memory. I remember on two or three occasions members telegraphed or wrote in that a certain postmaster had accepted the position of president of some political organization. Naturally it would be a Liberal organization. When a civil servant accepted the position of president of a political organization and took the chair at the meetings, that was sufficient ground for dismissal when the matter was investigated. I do not think anyone will deny that. There were a few dismissals of that kind. The minister mentioned a case and I could not stand up and discuss the matter at once because I could not remember the details, and that case shows how unjust he was. I consulted the member for the district after the hon. minister made the charge, and largely on his statement I remember the facts as he brought them back to me. These are the facts: A man named Fraelick was postmaster at Pleasantville for fifteen years. He was a cripple and his daughter did the work. He died just about the time of the smash-up here last session. He was replaced by a political henchman, and his daughter was cast aside. Practically every person in the community signed a petition requesting that the girl be given back her late father's job. That is the case which I had taken up once before on a wire from my hon. friend the present member. As apparently the case had not been considered I wired at once to Mr. Gaboury, who is sitting in front of the minister to-night, and demanded —having looked into the facts on the ground —that the petitioners should be granted their petition to have the girl re-appointed.

An hon. MEMBER: She was a Liberal.

Mr. MANION: My hon. friend interjects that she was a Liberal. I do not know about that. But the proof that her appointment was a good move is that the present Postmaster General has not dismissed her, and she is still postmistress.

Mr. VENIOT: She is not there now because she got married, and consequently her office became vacant.

Mr. MANION: My hon. friend is a smooth politician and is an adept at getting away with a great deal of oily, slippery, political material.

Mr. VENIOT: There are two of a kind.

Mr. MANION: Thank God, no. I am not in the hon. gentleman's class at all, I do not pretend to be a politician. I repeat here tonight without fear of proof to the contrary being produced on the floor of the House that there were no wholesale dismissals during the time we were in office. I do not deny there were a few dismissals where proof had been given to me that officials had so acted as to justify their dismissal. But I resent the attitude of my hon. friend. I have enough sense of humour to take a joke, but I certainly resent his trying to put me in his class, because I never was and never will be in his class as a politician.

Mr. PARENT: What proof did my hon. friend require?

Mr. MANION: I required at least as much proof as my hon. friend the present Postmaster General when he dismissed postmasters by the score. I dismissed perhaps seven or eight. I am only guessing at the number, but the dismissals were very few. I had many wires from candidates on our side demanding that certain men be dismissed and that certain contracts be cancelled, but many of those demands I paid no attention to, for I did not think they were fair.

Mr. PARENT: But they were candidates, not members of parliament acting on their responsibility as such.

Mr. MANION: In a large proportion of the cases no attention was paid to the demands further than to make an investigation to see whether the allegations were justified. Where they were not nothing was done.

Mr. VENIOT: Since the hon. gentleman thinks I am going a little beyond the pale, will he tell me why since his party are such strict observers of the Civil Service Act he ignored it completely during the election and took on twenty or thirty extra men in Montreal, throwing aside completely the waiting list of the civil service? This was done under the hon. gentleman when he was Postmaster General.

Mr. MANION: I do not remember the incident at all. I presume they were temporary employees engaged to do temporary departmental work.

Mr. VENIOT: But they should not have been put on in the face of the waiting list.

Mr. HANSON: Such help is taken on every day.

Mr. MANION: I should not be surprised if there is no basis for my hon. friend's insinuation. He does not care to offer any proof.

Mr. KAISER: Do I understand the minister to say that during the regime of the Conservative party certain mail carriers whose contracts expired had them renewed without any tenders being called for? I had a complaint from my constituency that a certain mail carrier from Seagrave was allowed to continue on his route two or three months after his contract had expired without the department advertising for tenders or renewing his contract. When I took the matter up with the department I was told that it was a common practice to do this, and that you would not dismiss a man unless some complaint was brought against him.

Mr. VENIOT: I did not say it was not the practice. I was only giving it as justification for letting a contract without tender, for which I was blamed by the hon. member for Lunenburg.

Mr. KAISER: They told me it was the established practice.

Mr. VENIOT: Up to a certain figure. Every contract above $350 is under ordinary circumstances submitted to tender.

Mr. KAISER: This was for over $1,000.

Mr. VENIOT: It should not be the case.

[Mr. Parent.]

Mr. KAISER: They told me it was the established practice.

Mr. HANSON: Is it not the fact that on many occasions when a contract which has been satisfactory to the department is about to expire it is the usual custom to renew it without tender, irrespective of the amount? I have known of many cases where that has been done to the entire satisfaction of the department and the public.

Mr. VENIOT: Where the inspector reports that the contract is satisfactory and the service is good, yes, it is done; but in many cases where we think the price is too high—we have a regular schedule per mile—we call for tenders. I am not blaming the ex-Postmaster General for having renewed those contracts; but I was blamed for having renewed one to a political friend, and I simply wanted to show where my hon. friend had renewed 254.

Mr. HANSON: But you were insinuating that he had broken 200 contracts.

Mr. MANION: I do not admit that I even renewed 254 contracts. Before I believe any statement of the hon. gentleman that he makes in political speeches of this sort I want some proofs.

Mr. VENIOT: I say to the hon. gentleman that under the rules of this House he has got to take my word.

Mr. MANION: I don't have to do anything of the kind.

Some hon. MEMBERS: Oh, oh.

The CHAIRMAN: Order.

Mr. VENIOT: When I make a statement that I say is according to the record the hon. gentleman has no right to contradict it.

Mr. MANION: Show the record.

Mr. VENIOT: I have the record here, right from your own file.

Mr. ERNST: Let us hear it.

Mr. VENIOT: If I were like my hon. friend from Lunenburg (Mr. Ernst) I would endeavour to have a little more courtesy and not so much sauce.

Mr. ERNST: Mr. Chairman, after my correspondence with the hon. minister, I came to the conclusion that he was the last person from whom I could learn any courtesy.

The CHAIRMAN: Shall the item carry?

Some hon. MEMBERS: No, no.

Mr. PRICE: It is not my desire to detain the House for long. Since this administration came into power I have tried to work in harmony with the Postmaster General in matters affecting the maritime provinces, and I believe I have succeeded to a very large extent. But I wish to say in all fairness that I believe the Postmaster General has made a record—

Some hon. MEMBERS: Hear, hear.

Mr. PRICE: —for dismissals. For a number of years there has been a certain amount of fairness between both parties, and I think both Liberals and Conservatives have exercised considerable discretion in the dismissal of employees of the Post Office Department. It is most regrettable, however, that the dismissals which have been made in the province of New Brunswick have included a great many ladies, some of them widows who have been receiving small emoluments. This is very regrettable, and I do not think it reflects very much credit on the present administration.

In 1917, at Dorchester, New Brunswick, an invalid named Tingley died; he was a Liberal and his family were all Liberals. His daughter had carried on the work of the post office during his illness, and instead of dismissing her the Union government, which has come in for so much censure, appointed her as postmistress in place of her father. I think the older members of the present administration are not very much in favour of the wholesale dismissals which have taken place, some of the names of which I desire to give the House. I notice in looking over this list that in many cases the recommendation for dismissal has been made by the Postmaster General himself. Mrs. Mary D. Murphy, postmistress at Black Rock, was dismissed for political partisanship; I presume that office was a large one, possibly carrying a salary of from $60 to $65 per annum. However, this lady was presumed to have Conservative leanings and I find from this record that the Postmaster General recommended her removal without investigation.

Mr. VENIOT: Will my hon. friend permit a question?

Mr. PRICE: Pardon me; you will just speak when I get through, I would ask the minister to hold his horses for a few minutes. Mrs. Annie Chalmers, postmistress at Belledune, was dismissed from the service on February 8, 1927, in the interests of the service, on the recommendation of the Postmaster General. Mrs. Rose Barry was dismissed from the post office at South River in the interests of the service upon the recommendation of the Postmaster General, in February 1927. Mrs. Mabel Russell, postmistress at Newton Heights, was dismissed from the service on the recommendation of the Postmaster General for better service to the public. I have only mentioned a few names in order to call the attention of the House to these matters.

I do not know that it is necessary to add to what I have said in connection with these dismissals, but I will say that no administration to date, either Liberal or Conservative, has shown as much partisanship as has the present administration in dismissals of not only post office employees but also marine officials. In the parish of Salisbury, county of Westmorland, which I have the honour to represent, a number of fisheries guardians were recommended by the Liberal administration in 1926. When Mr. Meighen was called upon to form a government, I was asked to make recommendations to the department to fill these positions. My recommendations were in accord with those of the Liberal party, because it was too small a matter to bother with. When the election was over and the Liberal government returned to power, they singled out a returned soldier who had served four years in France, who had four children and who was endeavouring to make his way in the world in this manner. On the advice of their friends in that county the Liberal government discovered that this man might have voted for the Conservative candidate, and he was singled out for dismissal. His successor was a millwright, a man who did not require the position and who has not, so far as I know, given any real service to the department. There is the distinction. I want to tell the government that while they may take credit for the number of postmasters they have dismissed throughout Canada, a day of reckoning is coming, and there are a great many Liberals in this country who do not believe in such wholesale dismissals. I also wish to say to the minister that I am surprised that he has permitted these dismissals after his record in the province of New Brunswick. These are petty things, which amount to practically nothing, yet which make up the livelihood of a great many people who do good work for the service.

Now I presume we will hear from the Postmaster General, who had some criticism to offer of the Civil Service Commission a few moments ago. I want to tell him that when recommendations have been received from that Civil Service Commission he has over-

ridden them, and if proof is necessary I think I can produce it.

Mr. VENIOT: My hon. friend has said that I have overridden the certificates issued by the Civil Service Commission. I have.

Mr. MANION: On more than one occasion.

Mr. VENIOT: Here is one special occasion where I did not follow the recommendation of the Civil Service Commission. A man was called in as assistant to the postmaster who was very ill, and he carried on the work of the post office. When the postmaster died this assistant remained in charge, and when a temporary man was appointed pending advertisement of the vacancy by the Civil Service Commission, this other individual walked out and kept the key belonging to the office.

An hon. MEMBER: Too bad!

Mr. VENIOT: You will find out how bad it is before I get through. During the conduct of the office on the part of the temporary postmaster, this man holding the key visited the office at nights and took from there whatever he liked. That was discovered by finding the key which he had forgotten and left in the post office lock. When he came back looking for his key, which he thought he had lost, the acting postmaster told him that it had been found in the lock. He then admitted his guilt. Notwithstanding that he applied for a permanent position, and when the certificate was issued by the Civil Service Commission, having his admission in my possession I refused, as I had power to do under section 13 of the Civil Service Act, to accept that certificate.

Mr. PRICE: I ask the minister to cite one case and we will investigate it.

Mr. VENIOT: I will.

Mr. PRICE: Give us a concrete case.

Mr. VENIOT: I will. I will mention the post office at Odessa in Saskatchewan and the man's name was Dybold.

Mr. MANION: I wish to say a few more words as to the 254 renewals I was supposed to have made. I sent across a few moments ago to the Postmaster General and asked him to let me have the list which he told the committee he had laid on the table. He has not sent it to me but he did send the memo from Mr. Anderson which reads as follows:

> Referring to the Deputy Postmaster General's memo of the 21st ultimo, he is advised that a total of 254 contracts and temporary agreements were renewed without call for tenders between 30th June, 1926 and 25th September, 1926, as per attached list.
>
> G. C. ANDERSON.

I venture to assert that the great majority of those renewals were the ordinary, formal departmental renewals made every day in the affairs of the department and probably did not come before me at all. If these papers did come before the minister at all during his term in office, it was merely in the ordinary formal way that the ordinary routine papers do come. I make that statement without fear of contradiction by the Postmaster General or anybody else. The minister gets up and makes a big fuss about the renewals. That is no new thing. I remember the officials told me time and again that in all kinds of ordinary mail contracts where the man is carrying the mail for a very small sum per annum, perhaps carrying the mail once or twice a week, they did not call for tenders. It was a small matter, the man having been doing it for years, and the contract is simply renewed. I repeat that out of these 254 contracts that appear in my name a large proportion of them, if not the entire list, were ordinary formal departmental renewals of contracts sent up by the officials, and submitted to me in the ordinary course of routine.

Mr. ERNST: I wish to add only one or two words to what has been said with respect to this particular vote. The minister has seen fit to refer to a case in my own constituency, the postmaster at Pleasantville. That case has been explained by the former Postmaster General, and I want to endorse everything he has said in that connection. The postmaster at Pleasantville had been a man named Fraelick. He had been postmaster for fifteen years, and the office was looked after by his daughter. The minute his toes were turned up and he was placed under the sod, the office was changed and placed in another part of the community. As a result of a petition circulated very largely through the community the office was changed again by the hon. member for Fort William, who was then Postmaster General, and given back to the daughter rather than to the Liberal henchman who had it while hon. gentlemen opposite were in power. I believe that the number of dismissals which have taken place since the present Postmaster General has been in the office which he now occupies is somewhat out of the ordinary. In the province of New Brunswick from the last election up until the 28th day of March, 54 dismissals had taken place, and in the province of Nova Scotia there was a proportionate number. In my own constituency there have been three dismissals, one at Upper Branch, one at Aspotogan, and the name of the third place has escaped me for the moment. In each of these cases I wrote the Postmaster General

asking what the reason for the dismissal was, and the gentleman who knew the facts courteously told me that it was in the interest of the public service and closed the discussion. I asked him why it was in the interest of the public service, but he has not yet seen fit to disclose why these men were dismissed.

One word more with reference to the mail contract. The Postmaster General has said that the mail contracts were cancelled because they were made without tender. In each instance in which he changed the contract he did so on the ground that no tender had been called for when the previous contract had been let, and yet in every case where the previous contract had been cancelled, he let it without tender. In every instance where a mail contract was let in my constituency the Postmaster General cancelled the contract and gave it to some other person without calling for tenders.

Mr. VENIOT: That is what my hon. friend has done.

Mr. ERNST: In every instance where that was done the person who had the contract had been carrying it out for years to the entire satisfaction of the community. Yet the Postmaster General awarded it to a new man without calling for tenders.

Mr. VENIOT: No tender was called in the McDonald case.

Mr. ERNST: I am giving the facts and I challenge you to name a contract which was given after calling for tenders.

Mr. VENIOT: I did give a contract after calling for tenders.

Mr. ERNST: I challenge you to contradict my statement in one concrete instance. If you cannot do so, you have to accept my word in the matter.

Mr. VENIOT: I have the information here and I contradict my hon. friend in my letter to him.

Mr. ERNST: Where did you give a contract to the man who had had it before?

Mr. VENIOT: What about the McDonald case?

Mr. ERNST: He had been carrying the mails for years in that district. You took the contract away from him and gave it to a man named Therian without even calling for tenders.

Mr. VENIOT: I beg my hon. friend's pardon. I did not take the contract away from him. It was let in May or June and I was not Postmaster General.

Mr. ERNST: The contract was taken from a man named McDonald, who had had it for years before, and given to a man named Therian. Later, the Therian contract was cancelled and McDonald was given the contract. You cancelled the contract to McDonald without calling for tenders and awarded it again to Therian. That was not an isolated instance. That was done in several instances in my constituency. I do not believe that the Post Office Department has ever been administered in a more partisan manner than it is being administered at the present time.

Mr. BELL (St. Antoine): I do not rise for the purpose of making any criticism of dismissals by the Postmaster General, but rather to get some information regarding the dismissal of the postmaster at Hawkesbury, Ontario. I believe the appointment of a returned soldier named McAllister, was made by the Civil Service Commission, but I think that under the previous Postmaster General, Mr. Murphy, and even under the subsequent Conservative Postmaster General the appointment was held up. I understand that the position has now been taken away from McAllister, and that a Mr. Berthiaume, has been appointed. I should like to get an explanation of this from the minister. I do not wish to delay the House at all, but I would point out that the appointment of McAllister was made by the Civil Service Commission.

Mr. VENIOT: I should be pleased to give an explanation to the hon. gentleman. Both were returned soldiers. When the advertisement was published for the vacancy it was understood that a person who could understand both languages should be appointed. That was done before my time, and when I became Postmaster General and the record was placed before me to be sent to the commission, I advised the commission of the fact that this had started as a bilingual appointment. They then issued a certificate in favour of Mr. McAllister, a returned soldier. I refused the certificate and sent word back to the commission that under the advertisement a properly bilingual person should be appointed and that was the cause of my refusing the certificate. As Mr. Berthiaume was also a returned soldier, I did not see that I was doing any injustice to returned soldiers as such. That is the explanation.

Mr. BELL (St. Antoine): So that this matter may be clear, does it rest with the Civil Service Commission or with the minister in the case of bilingual applicants as to who

will be appointed? After the Civil Service Commission makes an appointment, does it lie in his discretion to refuse the appointment and to use his best judgment as to a bilingual appointment?

Mr. VENIOT: I will answer the last question first. Under the Civil Service Act the minister has power to refuse the certificate of the Civil Service Commission but he has not power to appoint anybody instead. The matter goes back to the Civil Service Commission and they make a new call for applicants or take the one who ranks next in merit. As regards the bilingual question I have not had experience along that line to know whether that comes from the department or from the Civil Service Commission. The case to which I refer was before the commission before I was installed as Postmaster General.

Mr. BENNETT: Was Mr. McAllister not bilingual?

Mr. VENIOT: I was informed that Mr. McAllister understood French and I signified my willingness to have McAllister and Berthiaume come before me so that I might find out whether they were sufficiently bilingual to occupy the position.

Mr. BENNETT: The observations which have been directed to the chair by my colleague the ex-Postmaster General, in the light of the statements that have been made by the minister himself would seem to me to be such as might fairly engage the attention of the committee for a few minutes. I listened very carefully and the minister certainly made a statement which would seem to indicate that the former minister, the hon. member for Fort William (Mr. Manion) had cancelled 254 contracts.

Mr. VENIOT: I did not say that.

Some hon. MEMBERS: Absolutely.

Mr. BENNETT: That was the sense of the observation. By analysis it would seem from what the former minister said that all that was done was merely formally as a matter of routine to renew those contracts. I do not concede that any minister, however eminent he may have been in provincial politics, has a right to come into this House and make the observations which have been made by the minister to-night. A disregard of the courtesies of parliamentary life was shown and this House is entitled to better treatment.

Mr. PARENT: Why were so many contracts renewed in such a short time?

[Mr. L. G. Bell.]

Mr. BENNETT: If my hon. friend will realize the time of year it was, he will appreciate the fact that a number of contracts were falling due.

Mr. PARENT: It is easy to find an average and it will be found there were many more renewals during that time than ordinarily.

Mr. BENNETT: My hon. friend will realize that these contracts are in the course of routine renewed from time to time. The list is not before the committee, but this is a matter which I think the House should consider. We have listened to a great deal about dismissals, about dismissals of women, and I am going to cite a case to the committee. The other day I put on the order paper a question in regard to a very small post office called Bragg Creek which happens to be in the constituency of West Calgary. The people in that locality, for some strange reason, perhaps to the minister entirely inexplicable, voted for me. I can readily realize that many hon. gentlemen will find it difficult to understand why they should do so, but at any rate they did. In that little community there was a poor old man named White who had been postmaster and who was dying from cancer. His wife kept the post office.

An hon. MEMBER: Was he a Liberal?

Mr. BENNETT: So far as I know, because I never saw him, he had no politics. But at any rate the poor old gentleman was dying and finally passed away. His wife who had all the time been keeping the post office, which brings in the large sum of one dollar a month, had a little farm and she kept this little post office for her husband. The whole community signed a petition to have her appointed formally to the post office. What happened? The defeated Liberal candidate recommended to this government that a woman called Mary Wilson should be appointed to the post office in spite of the fact that all the people in that locality had signed a petition that this poor unfortunate widow, who had been left a small farm, should have this post office with its revenue of about one dollar a month. Therefore Mrs. White ceases to be postmistress, Mary Wilson gets the job and the settlers in that community travel to Calgary for their mail rather than get it from Mary Wilson.

That seems to me to be the sort of thing that makes people dissatisfied with our institutions. It is not just playing the game. What does the minister care about how these people in West Calgary feel? It is merely playing the part of politics. On the 27th day

of January the defeated Liberal candidate makes the recommendation and Mary Wilson is appointed to that post office. Somebody got a post office box in Calgary, carried out the mail and distributed it rather than have it distributed through Mary Wilson. They cannot do that any longer and they say that conditions are intolerable. I receive letters from people whom I have never seen. I suppose that if I had seen them they would not have voted in such large numbers for me, but at any rate under those circumstances I think that is hurting this country among new settlers. It is a disastrous thing to have that idea spread abroad in this country.

When the former Postmaster General reappointed a Miss Fraelick who had been postmistress at Pleasantville for about fifteen years, my hon. friend tries to make political capital against him for so doing. That is what is called peanut politics; it is the sort of thing that degrades our institutions. The speech that was made in this House to-night by the Postmaster General is such a speech as I have never listened to in this House during my years in it, and it is an insult to parliament. This sort of bluff and braggadocio, the waving of one's hands and speaking of what one is going to do—that is the sort of thing that makes the populace of this country think Canada is not a fit country to come to. All you have to do is to read the statement made by the hon. gentleman to-night as it will appear in Hansard to-morrow, put it into the hands of decent settlers, and ask them if that is the sort of country they wish to live in. But the minister thinks that sort of thing entitles him to the decoration of the legion of honour; that is what he expects to get at an early date for this sort of thing. It is the kind of thing that is taking place in this country. He should remember that this is not New Brunswick, but the larger arena of the Dominion parliament.

Mr. VENIOT: The hon. member's party did worse than that when they were in power.

Mr. BENNETT: If they did, I assume that is the reason they are out of power.

Mr. POULIOT: The words of my bachelor friend will not bring comfort to the widow.

Mr. BENNETT: It is just such observations as those of the hon. member for Podunk who has just spoken that bring discredit upon our institutions. It is a serious thing when a widow living on a few dollars a month is thrust out just because a defeated candidate says that a Grit must have the job, although she has been postmistress for a term of many years when her husband was on a sick bed, dying. I say we should consider these things as symptomatic. There are gentlemen in this government who look upon them as symptomatic, and I say to the Postmaster General, from what I have observed of his colleagues, that they do not glory in their shame.

Mr. VENIOT: I admit it is a shame for me to have followed the example of the Tory party.

Mr. BENNETT: Even the hon. member for Weyburn cannot swallow that. He laughs, so it must be pretty bad. There again is another illustration of it. I do entreat the Postmaster General—

Mr. VENIOT: Your entreaties are no good in that respect because I know you are not sincere. You would do it if you were in power.

Mr. BENNETT: That is but another illustration, Mr. Speaker, of the calibre of the Postmaster General of Canada. That is the type of gentleman who sits on the treasury benches of this country. That is the sort of thing that brings discredit on parliament. That is the sort of thing that cheapens us and makes us a joke, that degrades our institutions.

Mr. VENIOT: My hon. friend forgets that when his party was in power they dismissed people who were dead.

Mr. BENNETT: To dismiss a man who was dead would be a pretty hard thing to do.

Mr. POULIOT: If he died, he would have dismissed himself.

Mr. BENNETT: The hon. gentleman seeks applause for his own jokes, and sometimes, when it is lacking he becomes very disconcerted. But if he will gaze sufficiently long in the faces of his compatriots he may be able to find an answering smile.

Mr. POULIOT: I don't look for a smile in yours.

Mr. BENNETT: Every circus must have its clown, and the hon. gentleman is living up to his reputation. The conduct of the Postmaster General this evening, Mr. Chairman, would seem to indicate that the government is degenerating into a circus, and necessarily in that circus the hon. gentleman who has just spoken will play his part. I do think, Mr. Chairman, that we should look on parliamentary institutions as something beyond that. I do not think any minister should glory in the discomfort and unhappiness he has brought to the homes of people throughout Canada, and then say that the reason he did it is because somebody else did it on some other occasion. My observation is that when a

statement of that kind is made, usually there is very little warrant for it. We in western Canada have known what it is to suffer from violent partisanship. I lived there from 1897 to 1911; I lived there under those conditions. I saw the change of government in 1911, and I saw a change in the personnel of the civil service, and I thought then that a very great injury was being done this country; I am on record on that point. I have always believed in the Civil Service Commission, and I have endeavoured to support it. I believe that it is the best safeguard the Canadian people have for the decent conduct of public affairs; I am firmly convinced of that. I was long enough on the treasury board to see the certificates sent in by the Minister of Agriculture and other ministers saying that in the interests of the public service somebody should be let out of their position, and in a short time I have seen two or three take the place of the one who was let out. The difficulties we are suffering from to-day, the telegrams that are being sent to every member of this House with respect to the civil service, are due entirely to the fact that we have too many officials in Canada doing the work that could be done with fewer employees, and that condition has been brought about by the very thing to which I am drawing attention to-night. I think the time has come when the Postmaster General should realize that instead of refusing to take the certificates of the Civil Service Commission, he should endeavour to get the commission to be the buffer between him and the demands of politicians and members for vengeance upon their opponents. I know exactly what that means, and it is not a good thing. The hon. gentleman from Weyburn is no different from myself in that regard. When an election is over the pressure of one's friends for recognition and for vengeance against those who hold office is very very great.

Mr. YOUNG (Weyburn): Not in the case of the hon. member for Weyburn.

Mr. BENNETT: Then he is inhuman, and I ventured to think for a moment that he was human. But every member of this House knows what that pressure is.

Mr. YOUNG (Weyburn): The hon. gentleman did not understand me. I said that the hon. member for Weyburn is not pressed like my hon. friend is to fire people.

Mr. BENNETT: I am not pressed now because we are out of power, but unquestionably any gentleman sitting in this House and supporting the government has the pressure of his friends behind him to appoint them to office, and dismiss those holding office who are not of the political faith of the government of the day.

Mr. YOUNG (Weyburn): My hon. friend does not represent a Saskatchewan constituency or he would not talk that way.

Mr. BENNETT: He is very grateful that he does not, because there were striking manifestations of the high intelligence of the Saskatchewan constituencies when one lone member from that province in the committee the other day, supported the Georgian bay canal bill. That pressure I speak of, Mr. Chairman, can be met only by the intervention of the Civil Service Commission. Let us try to prevent the new incoming settlers to this country from believing that the Bragg Creek case is an ordinary incident in public life in this country. I say it is a disgrace to the country. It brings discredit on our institutions, and is injurious to every one of us who has to legislate in this chamber, and so far as that poor woman was concerned, it is inhuman. But, of course, the minister had necessarily under our political system to yield to the pressure of the defeated candidate to put this other woman who had supported him in that election into the office, regardless of what happened to anybody else.

I think the minister might well revise his manner of treating a matter of this kind. I do think that the flippant way in which he has approached it, and the glorying in his own shame with respect to dismissals, bring discredit on our institutions, and the time has come when some other method might well be resorted to. I resent the aspersions on my former colleague, which, on analysis, are found to be wholly unwarranted in fact.

Mr. POULIOT: I have just a word or two to say as to what happened in my constituency. I asked for only two dismissals. In one case it was for the dismissal of a postmaster whom I had first recommended to be appointed postmaster. He was a friend of mine when I recommended him first. Last year I knew he was against me. That was not a reason to ask for his dismissal, but I knew that he had held a committee meeting in the post office, and he came to see me. I said to him, "Well, Emile, what is the matter with you? Why did you act this way this year?" He said, "I thought you would be defeated, so I voted against you." Then I asked him, "Why did you distribute liquor in your house, which is used for the post office?" It was not my liquor; I have none during an election. He said, "Well, I was

very generous. I distributed it equally to Conservatives and Liberals." Then I said, "Well, now, I have a very good reason to ask your dismissal," and that is what I did, and everybody was satisfied.

Mr. STEWART (Leeds): I understood the minister to say that the rule had been laid down that if a member of the House made a charge of partisanship against an official, his word was accepted and dismissal would follow.

Mr. VENIOT: What I said was that if a member of the House wrote a letter stating that to his personal knowledge a postmaster or an official was guilty of partisanship or political activity, his word was sufficient to dismiss the postmaster.

Mr. STEWART (Leeds): If a defeated candidate comes into the minister's office and makes a verbal statement, is that sufficient?

Mr. VENIOT: No.

Mr. STEWART (Leeds): The minister has made a dismissal on such a statement.

Mr. VENIOT: I did not.

Mr. STEWART (Leeds): I will show the minister the case.

Mr. VENIOT: I made no dismissal on the representation of any candidate of an official who comes under the Civil Service Commission.

Mr. ERNST: The minister did not qualify it in that way.

Mr. VENIOT: The cases I am referring to are cases that come under the Civil Service Commission. That would mean any officer of the Post Office Department with a revenue of $400 or over—

An hon. MEMBER: No, $200.

Mr. VENIOT: And such an official cannot be dispensed with, under the regulations laid down and concurred in by this House in 1923, except by a statement of the member representing the county that he has personal knowledge of the political activity. Failing that the charge must be made, witnesses must be produced, and an investigation held by the appointed investigator. Any office with a revenue under $400 comes under departmental jurisdiction, in which case there is no necessity of personal representation of personal knowledge on the part of either the defeated candidate or the elected member.

Mr. STEWART (Leeds): Then in that case the minister would take the word of a defeated candidate?

Mr. VENIOT: Yes.

Mr. STEWART (Leeds): And dismiss without investigation.

Mr. ERNST: Would the minister take the word of an elected representative if he happened to be of the opposite political persuasion?

Mr. VENIOT: Try it and find out.

Mr. ERNST: I have tried it.

Mr. VENIOT: No.

Mr. ERNST: I have tried it in regard to a number of dismissals which have taken place in my constituency and backed it up by a petition of nearly every ratepayer in the district.

Mr. EDWARDS (Frontenac): If the Postmaster-General receives from a Conservative member of this House charges of political partizanship against a postmaster in the constituency represented by that member, will he, on the strength of such charge, made by a Conservative member-elect or a Progressive member-elect, dismiss such postmaster just as readily as he dismisses the postmaster if the charge is made by a Liberal member or a hyphenated member on the other side of the House?

Mr. VENIOT: I would be quite safe in saying that there are so few Liberal postmasters in the Dominion of Canada that the case is not likely to occur.

Mr. EDWARDS (Frontenac): Now come across straight—

Mr. VENIOT: If the hon. member makes such a case, I will give it very careful consideration.

Mr. EDWARDS (Frontenac): Come across square.

Mr. VENIOT: Does the hon. member want me over there?

Mr. EDWARDS (Frontenac): The time will come when the hon. minister will be over here.

Mr. VENIOT: Not for a long time.

Mr. EDWARDS (Frontenac): Sooner than the minister expects. The minister is in the same position as the boy who whistled when passing through a graveyard. He will be here before he has any idea of it. If a Liberal member of parliament makes a representation to the Postmaster General that a certain postmaster has been guilty of partisanship, that postmaster is dismissed.

Mr. VENIOT: No.

Mr. EDWARDS (Frontenac): The records show it.

Mr. VENIOT: No.

Mr. EDWARDS (Frontenac): Is the minister prepared to deal with a report made by a Conservative or a Progressive member on this side of the House and to give that representation exactly the same consideration as he would a representation from a Liberal?

Mr. VENIOT: I will.

Mr. EDWARDS (Frontenac): I put a question on the order paper a while ago asking how many postmasters were dismissed at the request of Liberal members of parliament, of Liberal-Progressive members, of Progressive members and of Conservative members, and I have the return in my desk. The answer to my question was very funny. It stated that some fifty-nine or sixty had been dismissed at the request of Liberal members and a certain number at the request of Liberal-Progressives, but not a man had been dismissed at the request of Progresives or Conservatives.

Mr. VENIOT: How could I when my hon. friend never asked for it?

Mr. EDWARDS (Frontenac): Well, maybe we will try it in a few cases.

Mr. VENIOT: Come along with it.

Mr. EDWARDS (Frontenac): We will, and I prophesy that when we do the representations will not receive the same consideration as when they come from the opposite side of the House. I want to tell the Postmaster General that in the dismissal of postmasters he has played absolute peanut politics.

Mr. GARDINER: Will the minister give us the income and expenditure of the department last year?

Mr. VENIOT: The revenue was $31,024,-464.22, and the expenditure was $30,499,685.74.

Mr. GARDINER: That is to the 31st of March of this year?

Mr. VENIOT: The fiscal year ended 31st March, 1926.

Mr. GARDINER: You have not the figures for the last year?

Mr. VENIOT: They are not compiled yet.

Mr. BENNETT: I think the figures are in the Gazette every month.

Mr. HANSON: What is the effect on the salary of postmasters or the compensation paid to postmasters in those offices which are

paid on a commission basis, by reason of a reduction in the postal rates?

Mr. VENIOT: Postmasters will lose nothing in 1927-28 as a result of the reduction. Last year the reduction had no effect on their salaries, and it will be the same this year.

Mr. BENNETT: But there will be a reduction to those who are paid on the commission basis.

Mr. VENIOT: No, an arrangement has been made by which the commissions will be proportionately increased, so that it will give them the same salary and commission as last year.

Mr. BENNETT: What has been the effect of the change in postal rates last July, roughly?

Mr. VENIOT: It was estimated that the two cent letter rate would result in a decrease of postal revenue of between $5,000,000 and $6,000,000 per annum. However, as two cent postage was only in effect nine months during the fiscal year that has just closed, and owing to increase in postal business due to improved conditions and also improved postal facilities—lower parcel post rates, and so forth— the postal deficit for the fiscal year ended 31st March last will not exceed, according to figures so far available, $2,500,000.

Mr. BENNETT: My memory is that the estimate was $3,000,000 in the Finance department.

Mr. VENIOT: This is $2,000,000. There is an improvement right along. During the past three months, due to the increased revenue at the city offices which comprise two-thirds of our postal business, we have come within four per cent of overtaking the loss due to two-cent postage.

Mr. STEWART (Leeds): Is any consideration being given to the representations of postmasters in smaller towns for increased compensation? In some cases their compensation is very inadequate.

Mr. VENIOT: As I have just explained, the salaries of such postmasters will not be affected as a result of the reduction from three to two cent postage. I stated to the postmasters assembled in convention here a week or so ago that no definite decision could be arrived at by the government until the fiscal year ending 1927-28, when we would have before us the complete result of the two cent postage.

Mr. HANSON: From 1922 onward the policy of the late Postmaster General was not to extend the system of rural mail delivery. I have always taken the view that

the federal government could perform no more useful service to the people in the rural communities than the extension of these routes. I know of nothing that will bring more contentment to the people in the country than having their mail delivered frequently to their doors. In my constituency—which is a fairly large one as the minister knows—there are still communities without rural mail service, and there are other communities not served often enough. I have been only able to accomplish something along this line about election time, when a little pressure produces some consideration, but afterwards no matter what party is in power they freeze up. I suppose it is because of the expense and the desire not to have a deficit. But I would impress on the minister the desirability of giving a good rural service. The cities are well served. In my own city of ten thousand people we have three deliveries a day, but people within ten or fifteen miles are given only two deliveries a week. To-day with daily newspapers the people are entitled to a daily delivery, and I would enlist the sympathy of the Postmaster General for those people. We have a struggle to keep people on the land, and to make rural life more attractive I think nothing is more effective than rural mail delivery, telephones and good roads.

Mr. VENIOT: For the information of the House I may say that there are 213,000 rural boxes throughout the different sections of the country, which were purchased at a cost of $800,000.

Mr. HANSON: But that is all reimbursed to the department.

Mr. VENIOT: Yes. In the general estimates will be found an item of $75,000, and in the supplementaries another item of $35,000, for the purchase of rural mail boxes. We believe in extending the rural mail system as much as possible. For the information of my hon. friend from York-Sunbury (Mr. Hanson) I may say that only recently I issued an order for a rural delivery from Peniac in his county, although it is for the accommodation of only six or seven families.

Mr. HANSON: I am much obliged to the minister. I have been trying to get that for seven years.

Mr. VENIOT: We have a number of applications from the western, central and maritime provinces. I would draw the attention of hon. members on both sides of the House to the fact that in many cases where we are asked to establish rural mail routes it is impossible because of the very low revenues. I have in mind three offices where the revenue is only $120, and to lay out a rural route cost practically $600 or $700. It is unreasonable under the circumstances to ask the department to assume that expenditure. True, the department is supposed to give the best accommodation possible and not to make any profit, but we cannot incur unreasonable deficits.

Mr. HANSON: The minister has referred to a feature that is not without difficulty, but I would point out that the mail service ought to be run more or less on the principle of the common school system—the rich districts should take care of the poor. The city of Moncton pays into the postal revenues over $300,000, and the city of Fredericton pays in twice as much as it costs to run the office. The thickly settled districts ought to pay for those sparsely settled. On no other principle can you establish many rural free deliveries. I am going to press for this, no matter who is Postmaster General or what party is in power, until there is a rural delivery box at the door of every farmer in my county.

Mr. EDWARDS (Frontenac): I would like to add just a word to what the hon. member for York-Sunbury (Mr. Hanson) has said. I have stated in this House before and I state again that if there is one department of the government which is entitled to show a deficit without criticism it is the Post Office department. Let us look at this thing reasonably. The people of the country all contribute to building up Canada, but naturally wealth centres in the cities. These centres of population get their public works and enjoy the benefits of the money which is spent in their construction, while the only service which can be given the country districts is the rural mail service. I repeat that if there is any justification for a deficit in any department of the government in connection with services given to the public it is in connection with the service given the rural districts by the Post Office Department. I think a great deal of latitude should be allowed in serving these rural communities. because a mail service is the only thing the government can give these people to show that they are a part of the country. I appreciate the position of the Postmaster General if you want to argue this question from the standpoint of whether or not these routes will pay; in that case a good many of them will be wiped out.

Mr. VENIOT: We cannot do that.

Mr. EDWARDS (Frontenac): That is an unreasonable attitude.

Mr. VENIOT: Yes.

Mr. EDWARDS (Frontenac): My constituency is strictly rural, and I appeal not only on behalf of that constituency, but for all rural communities. I believe they are well entitled to that consideration.

Mr. VENIOT: I agree with you.

Mr. YOUNG (Saskatoon): I do not very often find myself in such hearty agreement with my hon. friends opposite, but I want to thank the hon. member for York-Sunbury (Mr. Hanson) and the hon. member for Frontenac-Addington (Mr. Edwards) for making this plea, and I do so on behalf of all the Liberal members from Saskatchewan. Last year when we came here we investigated the amount of money spent on rural mail delivery in the various provinces, and we found that the amount spent in the province of Saskatchewan was almost negligible, while New Brunswick and Ontario were reasonably well served. I quite believe that those two hon. gentlemen who have just spoken would not wish to see the rural mail delivery extended in their own provinces until Saskatchewan was brought up to their standard. That being the case we thank them for making these remarks on behalf of rural mail delivery in Saskatchewan. Now I would like to say to the minister that in my province we believe the time has arrived when the rural mail service should be extended throughout the entire province, and when we have the same service provided in the eastern provinces we will consider ourselves reasonably well served.

Mr. IRVINE: I just wish to say a word on behalf of the members from Alberta who are also anxious to see the rural mail routes extended. I would like to tell the minister that in my constituency we have a mail route which we would like extended; it is a very important route, and I believe he has the matter under advisement now. Then I would ask the Prime Minister if he is aware that it is now to-morrow, in fact it has long been to-morrow, and I believe it would be as well if we went home now for a little rest.

Mr. GUTHRIE: I was going to suggest that we pass items 358 and 20 and allow item 542 of the supplementary estimates to stand over, with the understanding that we may discuss anything in this connection on that item when it is called.

Mr. VENIOT: Very well.

Mr. GARDINER: I only wish to keep the House a moment; we have taken up a good deal of time discussing politics in regard to this item, so I do not think it will hurt the House to wait and hear what I have to say. Hon. members have made a plea for the extension of the free rural delivery service, with which I am heartily in accord. We in western Canada know that we have not very much service along these lines as compared with the older sections of Canada. Of course we do not expect to get that service immediately, but we would like to see the Postmaster General give some attention to that branch of his department. There is another point, however, which I think is probably even more important, having to do with the provision of small post offices throughout the length and breadth of western Canada, where it is impossible to expect free delivery, and where the people are so isolated that they have to go thirty or forty miles for their mail. I want to make a plea for those people. I received intimations from the Post Office Department recently that many of these isolated post offices will be closed because of the small amount of business being done, and I do not think that is a fair proposition at all; those are the places to which I think the Postmaster General should give a good deal of consideration, even if the service does not pay.

Mr. VENIOT: I can assure the hon. member that that is not the intention so far as I know.

Mr. GARDINER: I happened to receive some such intimation recently. Those are the people for whom I wish to plead; those living close to post offices are in a position to get their mail once or twice a week, but these people who have to travel thirty or forty miles should get more consideration, even if it costs the country some money. I hope the Postmaster General will take that matter into consideration and give it his earnest attention.

Item agreed to.

Post Office — salaries, including amount required to pay allowance to office appliance operators, grade 2, operating Hollerith card punching machines, in accordance with provisions of Order in Council P.C. 156/2521, dated 24th December, 1923, $1,240,419.

Contingencies, $195,000.

Mr. PRICE: I have a short letter which I think will be of interest to the minister in connection with this item. It is from the maritime president of the Dominion Postal Clerks' Association.

Mr. RINFRET: Does this relate to the civil service increases? If so, that will come up when we consider the supplementary estimates.

Item agreed to.

Progress reported.

ALLIED INDIAN TRIBES OF BRITISH COLUMBIA

Mr. E. A. McPHERSON (Portage la Prairie) presented the second and final report of the special committee appointed to inquire into the claims of the allied Indian tribes of British Columbia.

Mr. SPEAKER: By unanimous consent.

Mr. McPHERSON moved:

That the second and final report of the special committee appointed to inquire into the claims of the allied Indian tribes of British Columbia, as set forth in their petition of June, 1926, be concurred in.

Mr. SPEAKER: By leave of the House.

Mr. ROBB: We consented to the report being presented, but I would ask that the motion for concurrence remain over till tomorrow.

Mr. SPEAKER: Stands as a notice of motion.

On motion of Mr. Robb the House adjourned at 2.15 a.m. (Tuesday).

Tuesday, April 12, 1927

The House met at eleven o'clock.

REPORT

Thirteenth report of the select standing committee on miscellaneous private bills.—Mr. Young (Saskatoon) for Mr. Parent.

MARINE AND FISHERIES

Mr. WILLIAM DUFF (Antigonish-Guysborough) presented the report of the select standing committee on marine and fisheries as follows:

Your committee has had under consideration, matters in connection with the lobster fisheries in certain sections of the Atlantic coastal waters, and also the salmon fisheries of British Columbia.

Several meetings of the committee have been held. These meetings have been attended by the deputy minister, and the chief officials of the Fisheries branch, of the Department of Marine and Fisheries, who have rendered much valuable assistance in determining policies in the best interests of the fishing industry of Canada.

Through resolutions passed during the meetings of your committee, the following recommendations are submitted to the consideration of the House;

That owing to very strong representations having been received from the fishermen of Kent county N.B., and Prince county, P.E.I., to have the present lobster-fishing season, of August 15, to October 15, on that section of Northumberland straits, beginning at a point ten miles south of Richibucto, Kent county, N.B., and extending to River Philip, Cumberland county, N.S., changed to commence on August 1 and end on September 30, your committee recommends that such change be made for the present year; and your committee further recommends that the Biological board be requested to make a thorough investigation of the lobster-fishing conditions in said section, before and during the period of the catch, and report its findings as soon as possible thereafter, in order to determine what injury, if any, would be caused by such change in dates of season.

Having regard for the best interests of the salmon fisheries of British Columbia, your committee recommends that: Purse-seine-nets used in British Columbia waters shall have a minimum length of one hundred and twenty-five fathoms.

All of which is respectfully submitted.

Mr. DUFF: With the unanimous consent of the House, Mr. Speaker, I beg to move that the report of the select standing committee on marine and fisheries presented this day be concurred in.

Hon. J. E. SINCLAIR (Queens): Stand as a notice of motion.

Motion stands.

BUSINESS OF THE HOUSE

MOTION RESPECTING PRIVATE BILLS

Mr. A. M. CARMICHAEL (Kindersley): Mr. Speaker, I beg to move:

That the order for private bills be taken up on Tuesday, the 12th instant, at eleven o'clock a.m., and that rule 25 in relation thereto be suspended.

Right Hon. W. L. MACKENZIE KING (Prime Minister): It is twenty minutes after eleven now, Mr. Speaker, and the motion calls for having the order for private bills taken up at eleven o'clock. Private members have an opportunity at eight o'clock this evening of taking up private bills for an hour, and I understand that as a result of conferences some of the difficulties that were anticipated have been removed. I think that we should allow the business of the House to proceed in the regular way and take up private bills at eight o'clock.

Mr. CARMICHAEL: If we were perfectly sure that one hour would be sufficient to take care of the private bills on the order paper, or if we were perfectly sure that that hour would be extended to give ample time to take care of these private bills, I would be quite prepared to withdraw the motion, but we have no such assurance. We have had the experience in this chamber of the one hour allotted to private bills on Tuesday and Friday being wholly taken up with the discussion of one bill; in fact, we have had the experience this session not only of that one

hour in the evening being taken up but of all of Monday being used on some two or three occasions to discuss one bill. At the present time there are on the order paper many private bills, some of which are of great importance, and I fail to see the wisdom or the justice of so carrying on our legislative affairs as to block any legislation that any person or any corporation desires. Therefore, I feel like pressing this motion, Mr. Speaker, until we have some assurance that justice will be done by those who come here for legislation.

I ask under this motion that rule 25 in relation thereto be suspended. Rule 25 provides that private bills may be taken up on Monday, also on Tuesday and Friday evenings for one hour from eight until nine p.m. As the session advances, we are all well aware that the government takes over Monday for government business, and that cuts us down to only two hours in the week for private bills. During the greater part of this session we have been cut down to the two hours time, because, as I purpose to show, practically all of the other time has been taken up in what we might call a futile discussion.

We are also told in our book of rules what the object of a private bill is. Under rule 88, paragraph 670 says:

> The object of a private bill is to alter the law relating to some particular locality or to confer rights on, or relieve from liability, some particular person or body of persons.

I think we are agreed in this chamber that the legislation in regard to any private bill is more or less useful. We have a great many divorce bills brought in under private legislation, bills respecting patents, bills respecting railway charters and bills respecting the organization of different companies. These matters are of great importance, and during this session, our time has been expended in such a way that these important matters of private legislation have not had due consideration in this chamber. We met here on Thursday, December 9, and on Wednesday, December 15, we adjourned after sitting for five days. I think during those five days we made a record for disposing expeditiously of matters before the House. We met again on Tuesday, February 8, and this is the 12th day of April, a matter of forty-seven sitting days since our adjournment. Counting to-day's sitting, we will have sat for fifty-two days during this present session of parliament.

I am not going to deal with what has been done on all the days but I would like to point out how the time allowed for private bills legislation has been expended. We had Bill No. 78, an act respecting the Montreal, Ottawa and Georgian Bay Canal Company introduced on Friday, the 25th of February. After our adjournment we met on February 8, and on Friday, February 25, this very important bill was introduced. It was discussed on Friday, again discussed on March 1 for an hour, again on March 4 for one hour, and on Monday, March 7, it took practically the entire day. On Tuesday, March 8, it was again discussed for one hour. On Friday, March 11, it was again discussed for an hour and on Monday, March 14, another day was spent on it. On Tuesday, March 15, and on Friday, March 18, another hour of each sitting was consumed. On Tuesday, March 15, and on Friday, March 18, another hour each day was devoted to it. On Monday, March 21, it was taken up again. On Tuesday, March 22, another hour was occupied. On Friday, March 25, and again on Monday, March 28, another hour was consumed with this bill. So that four Mondays and eight other days, an hour each day, were taken up with this measure—a total of twelve of the allotted days for private bills was consumed in the discussion of Bill No. 78. I am not going to say whose fault that was. I am simply pointing out what has actually happened, and the result has been that it has so held up other legislation as to leave us in the position we are now placed in, and it is possible that the other private measures cannot be taken care of before prorogation.

If, as the Prime Minister (Mr. Mackenzie King) suggests we follow the regular procedure and take up private bills to-night from eight until nine o'clock, that will give us one hour for the consideration of private bills. But our rules are so framed that one bill may take the entire hour, and then if unanimous consent of the House is asked to continue beyond nine o'clock so as to take care of the other private bills, it is possible for one objector to block that procedure. We have had evidence of that recently in this chamber. If we propose to extend the time beyond nine o'clock one member can object and thus block consideration of private bills. I need not point out to hon. members that to-night is the last opportunity we will have for taking care of private bill legislation in this chamber, and if what has happened on past occasions should occur to-night, one bill, or possibly two bills, may consume the entire hour, and if someone who is not desirous of seeing certain legislation enacted should object to an extension beyond the hour, private bill legislation will be blocked. I claim that is not fair. No private legislation is introduced

in this House unless some person or persons are interested in it and desirous of having it enacted. I do not say that all private bills should be passed in this House, but all of them should be given fair consideration. If the majority of members favour any private legislation which is introduced in this House, such legislation should be enacted into law, but it certainly is most unfair and unjust for this House to have itself tied hand and foot by rules so that it is impossible for any private legislation to be given fair consideration and enacted into law. After the consideration of private bills in this House they require to go to the Senate. I am not just sure how speedily the upper chamber moves, but if they move no more speedily than we in this chamber do it will take some time to consider before prorogation all the private bills on the order paper. I am assuming that prorogation will take place in the near future. In fact, it was stated on Saturday by the Prime Minister that they were prepared to go on with any of the estimates. The leader of the government told the House on Saturday that they were practically through with their legislation and that we could be prepared to deal with the estimates. In that case we can look forward to prorogation in the very near future.

Since the disposal of Bill No. 78 we have had experience of another bill blocking private legislation, Bill No. 107, respecting the Sun Life Assurance Company. It was introduced as a private bill, was up for consideration on Tuesday, April 5, for one hour, and took the entire time allotted for private bills. It was before the House again on Friday, April 8, and took the entire hour. To-night Bill No. 107 will stand near the top of the order paper, and therefore it will come up for consideration in the early part of the time allotted for private bills, and judging from what has happened in the past, if we are to guess what may happen to-night, it is quite possible that Bill No. 107 will consume the entire hour allotted for private bills, in which case the other private bills will be left untouched. The purport of this motion which I present to the House is to give an opportunity for private bills to be considered. Some of them may be contentious. If so, the good points and the bad points should be brought out. I happen to be sponsor of one bill which is now so adjusted that it is not contentious. It did contain some matter of contention when it left the private bills committee, but that matter has been arranged, and I am prepared to present an amendment which will so direct the criticism of that bill that there will not be any objection from either side of the House, or from any religious persuasion; therefore I claim that this bill should not be blocked. The people who are asking for this legislation asked in 1924 to have an act of incorporation passed. They approached parliament that year, but did not follow up their initial move. Again in 1926 they came before this parliament for an act to incorporate their church organization. The bill was a private bill and received second reading, but did not get any further. This session they have done their utmost to have this bill considered and finally put through. The bill has not only been printed and received two readings, but it has been considered by the private bills committee and re-printed with the amendment as proposed in the private bills committee. The cost has been considerable. The printing alone—

Hon. HUGH GUTHRIE (Leader of the Opposition): Would the hon. member allow me to make a suggestion? I have great sympathy with what he has said in this matter, and I would suggest to my right hon. friend the leader of the government (Mr. Mackenzie King) that he grant us an assurance that to-night, if it becomes necessary, we can continue after nine o'clock with private bills. I do not anticipate there is going to be much difficulty with private bills if we have a little extra time; perhaps we will not need any.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, if I were in a position to give the assurance required on behalf of the whole House I should be very glad to do so. Speaking for this side of the House, I have no hesitation in saying that we will be prepared to do what my hon. friend suggests; he no doubt can speak for his party; and the leader of the Progressive party (Mr. Gardiner) can speak for his. If all three are agreed I think that will dispose of the difficulty which we are now labouring under.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion?

Mr. CARMICHAEL: No, Mr. Speaker, I am not finished by any means. If the House is agreed that we shall have ample time this evening to consider private bills, I am willing to withdraw my motion; otherwise I certainly am not.

Mr. GUTHRIE: Let it stand.

Mr. CARMICHAEL: The mere statement that if somebody else will do something the right hon. gentleman will do something is no assurance.

Mr. MACKENZIE KING: The hon. leader of the opposition has, I take it, given assurance on behalf of his party, and I have given an assurance for this side of the House. The only party from which no assurance has come is that in my hon. friend's own quarter.

Mr. ROBERT GARDINER (Acadia): Mr. Speaker, this is a matter of personal interest to some members in this corner of the House, and I have not had an opportunity of consulting with them. Consequently I cannot give any assurance.

Mr. CARMICHAEL: Well, Mr. Speaker, we have assurances from the largest group and from the second largest group in the House. Possibly we can use our persuasive power sufficiently to persuade the smallest group to follow suit. All I desire is that every private bill should get the consideration of this House. If the majority are against any bill they will of course defeat it, but the House should pass judgment and not any group or individual. I hope that that course will be pursued this evening.

Mr. J. L. BROWN (Lisgar): Is it the hon gentleman's view that when a bill is brought before the House the House should have a chance to vote on it, and that it should not be deliberately obstructed?

Mr. CARMICHAEL: Yes. After every bill is reported from the committee that has considered it, it should then be considered by this House and disposed of.

Mr. SPEAKER: Shall the hon. gentleman have leave to withdraw his motion?

Some hon. MEMBERS: Carried.

Motion withdrawn.

PRIVATE BILLS

MOTION FOR THIRD READINGS

Mr. A. M. YOUNG (Saskatoon) moved:

That Bills No. 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, being unopposed divorce bills which have been reported by the select standing committee on miscellaneous private bills be now read the third time, and that rule 28 be suspended in relation thereto.

Motion agreed to on division.

[Mr. Guthrie.]

ALLIED INDIAN TRIBES OF BRITISH COLUMBIA

Mr. L. S. R. MORIN (St. Hyacinthe-Rouville) moved:

That the second and final report of the special committee appointed to inquire into the claims of the allied Indian tribes of British Columbia, as set forth in their petition of June 1926, be concurred in.

Motion agreed to.

RAILWAY ACT AMENDMENT

INVESTIGATION OF SUBSIDIARY OF TELEPHONE OR TELEGRAPH COMPANIES

Mr. G. R. GEARY (South Toronto) moved for leave to introduce Bill No. 336, to amend the Railway Act, 1919 (investigation of subsidiary of telephone or telegraph companies).

Mr. DUNNING: Explain.

Mr. GEARY: Mr. Speaker, this is a bill to extend the jurisdiction of the Dominion Board of Railway Commissioners. There are companies, one of which is in my mind, having to do with telephones and telegraphs, under the jurisdiction of the board. These companies may have their affairs investigated by the board with a view to ascertaining their profits, or what return it is fair to allow them by way of price they charge the consumer of their product.

Such company may have a great part of its business in the hands of a subsidiary company, which company—as in the case in my mind—is controlled by the company under the jurisdiction of the board and feeds on the parent company by virtue of having practically a monopoly in the sale of the products required by the parent company. That subsidiary company may, and in the case I have in mind does, make tremendous profits. With the parent company it does upwards of twelve or thirteen million dollars' worth of business out of a total turnover of twenty million dollars. The purpose of the bill is to enable the Board of Railway Commissioners to ascertain whether profits made by the subsidiary company should be paid in the form of dividends to the parent company instead of their being put away into reserve or dealt with in such a way as to be concealed. If the profits were turned over to the parent company they would to that extent relieve the consumer of the product.

Motion agreed to and bill read the first time.

LETHBRIDGE MINE WORKERS

On the Orders of the Day:

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, I would call the attention of the hon. Minister of Mines (Mr. Stewart) to a situation that seems to have arisen at Lethbridge, Alberta, according to a telegram which I have just received. It reads as follows:

> Resolution passed joint meeting sub district board miners union and coal committee board of trade, Lethbridge, whereas mines in this district practically shut down and other employment impossible for miners resolved that we press federal government to take immediate steps relieve situation. Wider markets essential. We urge that railway commission cost report be brought in at once.
>
> JAS. SLOAN,
> Sub district board member.

ITALIAN IMMIGRATION

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): May I ask the Minister of Immigration (Mr. Forke) whether there is any agreement between the Canadian government and the Italian government with regard to the bringing out of Italian labourers?

Hon. ROBERT FORKE (Minister of Immigration): I do not think there is any agreement whatever between the Italian government and the Canadian railways.

Mr. WOODSWORTH: I am afraid the minister did not get the question; certainly he did not answer it. I asked whether there was any agreement between the Canadian and the Italian governments regarding the bringing out of Italian labourers.

Mr. FORKE: The best answer is no.

EXCISE ACT AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

Hon. W. D. EULER (Minister of Customs and Excise) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 119, to amend the Excise Act.

Motion agreed to, amendments read the second time and concurred in.

CUSTOMS ACT AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

Hon. W. D. EULER (Minister of Customs and Excise) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 172, to amend the Customs Act.

Mr. GARDINER: What is the nature of the amendments?

Mr. EULER: The amendments are merely in the nature of corrections. There are only two; in the one case the Senate has changed the word "and" to "or," as was intended by the Commons, and in the other case it has inserted the words "for duty" in connection with the value of $200 under which a smuggler may be prosecuted and sentenced to prison. The Senate has merely confirmed what we intended to do but omitted from the record by oversight.

Motion agreed to, amendments read the second time and concurred in.

DOMINION ELECTIONS ACT AMENDMENT

CONCURRENCE IN SENATE AMENDMENTS

Hon. LUCIEN CANNON (Solicitor General) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 260, to amend the Dominion Elections Act.

Some hon. MEMBERS: Explain.

Mr. CANNON: The purpose of the amendment introduced by the Senate is to make the bill clearer as to the time of its coming into force. The bill will not come into force before June 30, and the amendment provides that sections 1 and 2 of the act shall come into force on the thirtieth day of June, 1927, and that in the meantime the operation of subsection 2 of section 19 of the Dominion Elections Act shall stand suspended. I am satisfied with the amendment.

Motion agreed to, amendment read the second time and concurred in.

CHIEF ELECTORAL OFFICER

APPOINTMENT OF MR. JULES CASTONGUAY AS SUCCESSOR TO COLONEL O. M. BIGGAR

Right Hon. W. L. MACKENZIE KING (Prime Minister): In connection with the bill which has now passed both Houses for the appointment of a Chief Electoral Officer, it is provided that the appointment shall be made by resolution of the House. I stated during the course of the discussion on the bill that I would confer with my hon. friend, the leader of the opposition (Mr. Guthrie) to see whether we could not agree upon a name. We are in agreement upon a name which I think will be acceptable to all. I would therefore ask the House for its consent to allow me

at this stage to move the following resolution, which contains the name my hon. friend and I have agreed to submit to the House:

That, in conformity with the provisions of Bill No. 260, An Act to amend the Dominion Elections Act which was passed by both Houses of Parliament, Jules Castonguay be designated as the successor of Oliver Mowat Biggar as Chief Electoral Officer.

Mr. Castonguay has been for over twenty years in the office which has had charge of the work of supervising elections. Formerly elections were conducted by the Clerk of the Crown in Chancery, and Mr. Castonguay was appointed assistant in the office of the Clerk of the Crown in Chancery over twenty years ago. When the change was made and a chief electoral officer appointed some seven years ago, Mr. Castonguay was made his assistant. He has been a very efficient officer, is permanently in the service of the government, and this resolution is a recognition of his merit and proposes what we regard as a very appropriate appointment. Mr. Biggar, who has been Chief Electoral Officer, informs me that he cannot speak too highly of Mr. Castonguay's qualifications for the position.

Hon. HUGH GUTHRIE (Leader of the Opposition): I have only to say that it gives me great pleasure to second this motion. I have known Mr. Castonguay a very long time. While the Dominion Elections Act was under discussion in the House five or six years ago I had a great deal to do with him and an ample opportunity for ascertaining his qualifications for a position such as this. I know too that Colonel Oliver Mowat Biggar, the retiring Chief Electoral Officer, who has had very intimate relations with Mr. Castonguay, expresses the opinion that he is well qualified for the position. I have therefore pleasure in seconding the motion.

Mr. ROBERT GARDINER (Acadia): This is the first intimation we in this group have had as to whom the government proposes for the position. The position is quite an important one, and naturally all sections of the House should agree as to the person to be called upon to assume it. So far as we in this corner are concerned, we have not been consulted in the matter; we knew nothing about the name to be proposed. I would therefore ask the Prime Minister to let the matter stand until to-morrow, and in the meantime we will make inquiries as to the fitness of the gentleman proposed.

Mr. MACKENZIE KING: I am agreeable to my hon. friend's suggestion if he considers it desirable to have the matter stand. May I say to him, however, that there was no intention of being discourteous either to him or to any of those about him in not conferring with him in the matter. If he will refer to what I said when the subject was under discussion on a former occasion he will find that I made the statement that I would confer with the leader of the opposition. There are some questions regarding arrangements such as govern the whole House in connection with which the government and the opposition as such must confer. It is conceivable that we may at some time or other have eight or ten groups in the House, in which event it would be impossible to secure agreement on anything. On these matters, I suggest, where the law lays down a course of procedure which recognizes a government and an opposition as such, it ought not to be inferred that there is any intentional discourtesy in following that course.

Mr. E. J. GARLAND (Bow River): It seems to me that the position taken by the hon. member for Acadia (Mr. Gardiner) is particularly sound. I am quite sure the Prime Minister had no intention of being unnecessarily discourteous, but at the same time, having in mind the excellent spirit of coöperation that existed last year between our group and the Prime Minister's party one would have thought that in his own interest, and with the view to developing a coöperative spirit in the House, he would have been induced to consult our group as well as the leader of the opposition. His failure to do so does not however entirely offend me. It tickles my sense of humor to realize that the forecast I made in my budget speech, of a close coalition between Liberals and Conservatives, is being justified. The suggestion of the hon. member for Acadia is worth considering. I think the appointment is an excellent one, and personally I approve of the principle of promotion by merit in the service, so I do not think it will be questioned. But after all, we must have some respect for the dignity of our own group, and I trust that in future the Prime Minister will see fit to consult with those who are always willing to coöperate in the public interest.

Mr. POULIOT: Is my hon. friend the leader of a thirteenth group?

Mr. SPEAKER: Shall the motion carry?

Some hon. MEMBERS: Carried.

Some hon. MEMBERS: Stand.

Mr. SPEAKER: There was no notice given.

Mr. MACKENZIE KING: Then let it stand.

Mr. SPEAKER: Stands.

SUPPLY—ALBERTA COAL

CONDITION OF MINERS—TRANSPORTATION TO EASTERN CANADA

Hon. J. A. ROBB moved that the House go into committee of supply.

Mr. E. J. GARLAND (Bow River): Mr. Speaker, before the House goes into supply I regret the necessity which compels me to introduce a subject which I would wish had not arisen at this late date of the session. During the past few days I have received a series of telegrams describing a pitiable condition in the province from which I come, and particularly in the constituency which I represent. On the orders of the day the leader of the opposition read a telegram from the Lethbridge board of trade relating to conditions there, and I now wish to place on Hansard one or two other telegrams which describe very vividly the conditions in my own constituency. On April 2, I received this telegram:

> There are about two thousand mine workers out of work at present in the Drumheller valley. This has caused great distress and we would urge upon you the necessity for parliament taking immediate action to relieve the suffering of these men and their families which is growing more intense each passing week in any possible way you may determine.

I did my duty on that occasion and drew the attention of the Minister of Labour (Mr. Heenan) to the condition indicated by this telegram. While the reply he gave me may have been the only one he could give, it was wholly unsatisfactory and unsympathetic. In effect he said that an investigation was being made by the Department of Labour into these conditions, but in the meantime the suffering is continuing. I now come to the second telegram, as follows:

> Provincial government investigation—

Which was undertaken much more speedily than the investigation by this government:

> —discloses acute distress in Drumheller. Hundreds of miners idle owing to shut down and no credit available. Immediate resumption of work in mines best solution. Your immediate coöperation and action earnestly solicited. Work only possible solution, reply early.

That telegram is signed by the secretary and president of Local 59 of the United Mine Workers' Association of America. I now come to the telegram which I received this morning, and to which I would call the attention of the Minister of Immigration, reminding him of the pleas made from this side of the House from time to time that some action be taken to protect the people against the utterly unjust, misleading, inaccurate and false promises made by shipping immigration agents and others to induce people to come to this country in the belief that they will be provided with steady employment at remunerative wages. This telegram which is dated April 11, is as follows:

> Immigrants arriving Drumheller promised work coal mines quite number here now without funds and charge on community. Please advise government unless they can provide work through Ontario market to have immigrants directed elsewhere. Our own unemployment problem with mines closed too serious to countenance further immigration here.

That is signed by the Drumheller board of trade, whose members certainly are not of the radical type, and who would not put words of this kind into a telegram for presentation to this House if the situation did not compel them to do so. The next telegram is the one placed on record by the leader of the opposition this morning, and is as follows:

> Resolution passed joint meeting subdistrict board miners union and coal committee board of trade Lethbridge. Whereas mines in this district practically shut down and other employment impossible for miners, resolved that we press federal government to take immediate steps relieve situation. Wider markets essential. We urge that railway commission cost report be brought in at once.

This House will recall that just over a year ago, on February 13, 1926, as a result of the efforts made by members of the House from the province from which I come, the administration were induced to bring in an order in council instructing the Board of Railway Commissioners to undertake an investigation into the actual cost of transporting coal for a special seasonal movement, which order in council urged the railway commission to undertake an immediate investigation. It was not the intention of the government nor indeed of those associated with the government to have the railway commission unduly delay this hearing. Then what happened? First of all, the basis of the inquiry was to be the out of pocket cost, that is, the cost exclusive of the expenses the railway would have to meet whether or not this coal was moved; the railway board were directed to report on the cost both exclusive and inclusive of that expense.

On February 24, 1926, Mr. Woods, counsel for the province of Alberta, speaking on this occasion for the province of Ontario as well,

asked the board to set a date for a hearing at which would be determined what information the provinces would need from the railways in order to complete their case. On April 16, 1926, such a hearing took place and the railways were directed to provide counsel with a great quantity of information which was considered essential. It took all summer for the railways to amass this information; there certainly must have been a great deal of it, or else there must have been some very unnecessary delay. The experts came together, but by the fall the board were engaged on the general freight rate inquiry, so the investigation into the coal rates drifted along. An attempt was made by Mr. Woods on behalf of Alberta and Ontario in December last, because of the urgency of this question and because of the absolute need of having the board report to parliament before prorogation, to have the board take up this inquiry as the first order of business after they reconvened in January, 1927, and it was believed that the inquiry would not take more than two or three days. This the board definitely refused to do under a judgment given on December 16, 1926, in which they stated that they would not take up the coal rate inquiry which was of such immediate importance until the general freight rate inquiry was concluded. On February 10, 1927, Mr. Woods representing Alberta and Mr. Lawson representing Ontario again brought the matter before the railway board with the object of avoiding any delay in going on with the coal inquiry as soon as the general freight rate inquiry was over, and the railways then insisted that they would need two months after their experts were released from the general freight rate inquiry, to enable them to prepare their figures for the second inquiry. As it was then thought that the general freight rates inquiry would be finished by March 15, the board ordered a preliminary meeting of the experts of the two provinces and of the railway companies on May 15, two months after they were expected to conclude the general freight rate inquiry. At this meeting both sides were to produce their figures of costs and the points of difference would be defined. The final hearing on these points was to take place on June 7, 1927.

An attempt was also made in this House by hon. members in the U.F.A. group to induce the Minister of Railways or the administration as a whole to take such steps they might properly take to get the railway board to expedite this hearing. The order in council which I have under my hand was particularly specific. It asked for an immediate examination and report upon the actual out of pocket cost of moving the coal. Why was it utterly necessary that this be immediate? Because we all understood that it would take some time to gather the facts and for the board to make and present its findings. That being the case, we realized that if action was to be taken at the coming session of parliament, the findings of the board should be in the hands of the government during the session and preferably early in the session. Every effort was made by this group and by our Alberta counsel before the board to have this action taken that was so necessary. The chairman of the board was advised again and again that if he delayed this hearing, the solution of the question as regards Alberta would go over for another season and it would not be dealt with until the next session of this parliament, with the result that no coal would move to Ontario for another year.

As a result of the decisions laid down by the board, we have now exactly the situation which we feared. We have a situation in which the board's refusal to make this inquiry in January last has now so delayed the question that the inquiry will not take place until after this House has prorogued and so too late for action by this parliament. That action by this parliament will be necessary is quite apparent from the wording of the order in council which does not give to the board any power to set the rate. All the board has power to do is to determine the cost rate on the values agreed upon between the railways and representatives of the two provinces of Ontario and Quebec. Once the board has found that and reported thereon to the government or parliament, its duties have ceased. It is then for the government to bring in statutory legislation making that rate effective.

As hon. gentlemen can readily see, the desperate conditions in the province in which I represent one constituency would certainly indicate that some remedial measure should be taken. I have simply this to suggest and I took the liberty of suggesting it the other day to the minister and following it up by letter. Having consulted with him previously in the matter, with his permission I will read a letter which I wrote him in that connection:

Ottawa, Ontario, April 7, 1927.

Hon. CHARLES STEWART,
Minister of the Interior,
Ottawa.

Dear Mr. STEWART,

Following up my conversation with you of yesterday, in which I brought to your attention the necessity for some action by parliament at this session to enable the government to bring into effect whatever cost rate may be deter-

mined by the Board of Railway Commissioners as a result of the investigation into the actual cost of the transportation of coal.

May I recall to your attention the nature of our conversation—you will recollect that an order in council instructed the board to make this investigation and no powers were given to your board to set the rate that might be determined to be used as the coal rate. It is therefore quite clear to me that should the board of its own volition, attempt to set this rate (which of course is most improbable) the railways would at once serve an injunction upon that body.

I expressed the opinion to you if the Alberta coal operators are ever to secure a portion of the Ontario market, it will be necessary for the administrators to introduce a bill providing for a special seasonal cost rate for the movement of the coal.

I do most earnestly urge upon you, as the minister representing the province from which we both come, the necessity to secure from this parliament before it prorogues the necessary powers to enable you to put into effect the rate that will be allowed by the Board of Railway Commissioners.

Yours very truly,

This is signed by myself. I have already briefly reviewed my reasons for doing this. Some exception may be taken by hon. gentlemen that to give such a blanket authority to a minister would be a dangerous matter. I submit that it would not in this case for this reason. If the out-of-pocket cost rate to be found by the board is to be at all effective in the movement of coal, that rate will have to be no more than $7 a ton. From my examination of this question, from the evidence given before our coal committees year after year by experts of both railways, I am satisfied that the out-of-pocket cost rate will vary somewhere between $6 and $7. I am satisfied therefore that the only spread, the only blanket right that need be granted in this matter is to set a limitation within a matter of a few cents. I would be quite satisfied if the administration could now take authority to put into effect the cost rate when it is determined, if that cost rate is less than $7 and not more than $6. That leaves them within a limitation of $1 for this coal rate.

May I repeat that the condition in my province justifies drastic action by this House? The miners there—and I know them only too well—have from year to year periodic, seasonal employment scattered over a period of from three to four months during only two of which they will have constant labour, and during the balance of the year they are picking up jobs wherever they can. No intellligent effort is being made by provincial or federal labour bureaux to transport these men at reasonable railway rates so that they may find employment during the slack season in some other occupation and to bring them back to the coal mines during the winter. Surely we ought to be able to work out some scheme whereby some occupations which are distinctly seasonal might be combined in order to spread employment over the whole year. There is a possibility in that direction; but in the meantime the crying need is markets for our coal.

We have ample coal of the finest quality for domestic purposes and there is no question as to the favour with which public opinion in Ontario has received our coal. The whole matter now rests with the administration. The people in this great province of Ontario will take the coal if they can get it at a reasonable rate. They are willing to pay within a reasonable margin of anthracite prices for it, and in passing I may say they are well advised in so being willing because, taking all in all, the wise householder can get as much heat value and with much less waste out of our Alberta coal than out of anthracite. However, at this stage of the session I do not want to go into the relative merits of our coal; it is indeed already well and favourably known.

I wish to ask now that the administration state definitely to me and to the House what their policy is going to be in this regard. I have not asked too much; all I have asked is that the cost rate to be determined by the board shall, as soon as determined and reported upon, be enacted into an effective measure so that the movement of coal may at once take place. The coal could start moving during the summer months when the rate would be in operation. The people of Ontario will welcome it with open arms, and they are accustomed to get in their coal supply during the summer months. Give them an opportunity to do that and you will enormously increase the prosperity and comfort of two of the great provinces of this Dominion.

Mr. L. H. JELLIFF (Lethbridge): Mr. Speaker, I have the same telegram from the Lethbridge board of trade as that read by the leader of the opposition (Mr. Guthrie) and referred to by the hon. member for Bow River (Mr. Garland). I am deeply sympathetic with this message. The situation there is such that we have to find a remedy for it. It exists and comes forward to trouble our councils year after year, and it is time, Mr. Speaker, that some definite steps be taken to meet this problem. True it is that the winter is over and the prairie demand for coal has diminished, and the men who are engaged in the mines may expect less employment than they have had during the cold winter season. It is also true that more or

less employment can be secured in the seeding operations which will soon be in full blast throughout the district which I represent, but at the same time that does not permanently and efficiently solve the problem which exists there. We have been chasing this problem from one side to the other during the last five years in which I have been a member of this House, and still we seem to be little closer to a solution of it than we were five years ago. We have tried through orders in council, through references to the board of railway commissioners, and through the taking of evidence month after month and year after year to arrive at some basis for a settlement of this problem, but as I said we are no closer to a solution than we were several years ago. I have got to the point myself where I feel that this problem can only be met definitely and finally by the passing of an act by this parliament fixing a rate at which coal from Alberta can be carried to the central provinces. That would put the question beyond all peradventure of dispute. After such an act is passed, we can determine from actual experience how it works out, and if it fails to work out well, if we find that it places too big a burden on this country or upon the transportation system, it will be an easy matter for us to repeal that act. I want to point out to the Prime Minister that we have a precedent, and a very good precedent, for dealing with this matter in the way I suggest in the action we have taken in regard to freight rates in the maritime provinces, and the rates on grain and flour under the Crowsnest pass agreement. I urge upon the government to bring forward a measure fixing a rate more or less based upon the investigations which have been carried on into the shipment of coal in trainload lots during the last four years. Let us try this method out and see if it works, so that we can definitely settle this problem for the good of our great coal mining industry.

Hon. PETER HEENAN (Minister of Labour): In reply to the reference made to the Minister of Labour by my good friend opposite, I may say that I received on April the first the same telegram that he did, and the very next day I had a man on the job looking into the situation, because I was not sure whether it was employment or unemployment relief that these men were asking for. The investigator is a very able man. He went into the coal district and there ascertained that the men were looking for work, not relief. I conveyed to the rest of my colleagues my suggestions as to the best ways and means of securing work for them, and that matter is still under consideration at the present time. I also took the matter up personally with Mr. Brownlee, the provincial premier, and he too is looking into the matter, all with the object of trying to provide work for the men in that district. I pointed out to Mr. Brownlee, when he was here, that if it was not a very serious affair and any financial assistance was required, I thought they ought to provide it locally, and he went back the same night for the purpose of going into the matter and conferring with me again.

The hon. member said that I did not give a very sympathetic answer. Well, the only thing I could do was to ascertain just what the real trouble was, and that message was the first intimation I had that there was any real trouble in the coal fields, and the very next day after receiving it I had a man investigating the situation right on the ground. He went right amongst the miners to find out what they wanted, and from all the correspondence it appears that they do not want relief, but work. That matter, as I say, is under consideration and I can assure my hon. friend that as far as I am concerned I shall do the very best I can.

Hon. ROBERT FORKE (Minister of Immigration and Colonization): I might say a few words in reply to the hon. member's references to immigrants coming into this country. If we do not want immigrants, of course there is no more to be said. The trouble in Alberta in the coal mines may be serious enough in itself, but after all, it is confined to the locality, and is a matter all by itself. There is no doubt that quite a number of immigrants are coming in, but the season has been very backward in western Canada and seeding has been delayed, and consequently there may be some little trouble for a time. Although I know and thoroughly believe that we need more population in this country, I am very well aware of the fact that you cannot have from 150,000 to 200,000 immigrants coming into a country in any one year without dislocating employment conditions to a certain extent. That is inevitable, but I have no hesitation in saying that six weeks from now no one will be idle in western Canada who is seeking employment.

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): With regard to the problem brought to the attention of the House by the hon. member for Bow River (Mr. Garland), one would gather from his remarks that he believes that action by the railway commission, or by the government consequent upon extraordinary powers being

given to it by this parliament, might conceivably solve the present unemployment difficulty among the miners in Drumheller. I feel that he did not mean to convey that impression, but by linking the two things together he was apparently proposing a remedy for the presently existing disease. I feel that he did not wish to convey that impression, but that was the impression I gathered from his remarks. On that point might I say this: I have very great doubts if any action by the railway commission or any action that is taken with respect to freight rates will eliminate the seasonal nature of work in the Alberta coal fields. Personally, having conducted somewhat of an examination into possible markets, I cannot see how it is possible to overcome completely the seasonal rush and the seasonal slack time in the Alberta coal fields with the markets at present in sight and in view of the time and manner in which the people in those markets will consent to take the coal made available to them by the mine operators of Alberta and other places.

But the problem goes very much deeper even than that. There is nothing to prevent the mines of Alberta from constantly enlarging their seasonal capacity. That factor, as my hon. friend well knows, is very largely the controlling one in mining operations. If there is a large seasonal demand, every mine will so equip itself with mechanical devices and labour to attempt to take the fullest possible advantage of that seasonal demand. When that is the case, inevitably there follows a slack time. I am not endeavouring to convey the impression that the problem is not possible of solution, but rather that it is not one that can be solved by devising some measure of freight rate relief as between Alberta and Ontario, although that, of course might be a mitigating factor. My hon. friend referred to the order in council of last February. I have it before me, and I think he will agree that it does provide for the kind of examination into this matter which was desired by those most nearly interested, both in the coal producing sections of Alberta and in the coal consuming sections of Ontario.

I regret the delay on the part of the railway commission as much as he can possibly do. I might respectfully point out however that the work of the general rate inquiry has been very heavy. I am not now defending the railway commission, but I must remind the House that they are not supermen. There is only a certain amount of time in every day, and when counsel for the two provinces interested are also engaged in arguing the matter of the general freight equalization, it is difficult to see how the railway commission could have moved much faster in connection with the coal rate inquiry. Everything the government could do to expedite the work of the commission with regard to this particular matter has, I assure my hon. friend, been done. I, personally, have made representations to the chairman in regard to the necessity for expedition. I now understand from what my hon. friend says—and it is confirmed in other ways—that a definite move is to be made, I think he said on May 15.

Mr. GARLAND (Bow River): No, the hearing will be on June 7.

Mr. DUNNING: But the preliminary conference of the experts was to take place on May 15. We can therefore expect a conclusion reasonably soon after June 7, in time for the government to be made aware of the nature of the report, in time for parliament to act as soon as it meets at the next session, in accordance with whatever policy may be decided on, as a result of the report of the board on the matter of cost, plus profit, or without profit, as the case may be. My hon. friend indicated in his remarks that the railway commission were asked to determine the cost. I would respectfully point out to him that the order in council goes much further than that. It asks for several methods of computation. I think there will be, as a ressult of the bottom paragraph on the first page of the order, probably four or five separate statements received by the government from the railway commission as a result of the work. My hon. friend suggests extraordinary legislation. He suggests that parliament should be asked now to give to the government blanket authority to put into effect whatever rates it sees fit, as a result of this report.

Mr. GARLAND (Bow River): No, I made my statement very specific, because I was afraid, if I did not do so, the minister would use the very argument he is now using. I suggested that they should take authority to set a rate provided it was within six or seven dollars—within that one dollar limitation.

Mr. GUTHRIE: Not less than six nor more than seven dollars.

Mr. DUNNING: Between six and seven dollars a ton. Well, I do not think that improves the suggestion.

Mr. GARLAND (Bow River): It is a limitation of one dollar.

Mr. DUNNING: It is surely an unique authority to place in the hands of the government, a suggestion I have not previously heard. But the point I want to make in connection with it is that such action on the part of the government, even if it had the power at the time, following a report of the board of railway commissioners in connection with the matter, would not relieve the present unemployment situation upon which my hon. friend rested his whole case this morning, to advance or to convey the idea—I do not suggest my hon. friend did so wittingly—that something could be done along this line which would have the effect of relieving the distressful conditions complained of.

Mr. GARLAND (Bow River): I think I used that as an illustration of the conditions and the constant recurring need of some provision, as the strongest reason for immediate action by parliament in regard to special rates.

Mr. DUNNING: Perhaps I misunderstood my hon. friend in that regard. That was certainly the impression I gathered from his remarks, based as they were on telegrams calling attention to presently existing conditions. There is a very vital matter of principle involved, may I say, in any decision which may be reached by this parliament on this matter of freight rates on coal from Alberta to Ontario. We might adopt any one of several courses in relation thereto. For instance, should parliament say that the railway companies must haul coal without a cent of profit and let it go at that, or should parliament adopt the principle that the railway companies should charge a certain rate, and that part of the rate should be borne by the Dominion and part by the shippers of the coal? There are several ways of looking at the problem, and if I remember correctly, when it was my duty to introduce here not very long ago a measure having to do with the maritime provinces and their freight rates, the only opposition to it came from my hon. friends in that corner of the House, who are advocating in this connection the same general principle in respect of their coal industry with relation to the market of Ontario.

Mr. GARLAND (Bow River): I can hardly accept that statement as completely fair. We are not asking for any rate below cost. We are asking a rate at which the coal can move without loss to the railway. We are not asking for a twenty per cent reduction all through.

Mr. DUNNING: My hon. friend draws a fine distinction. Apparently he is willing, in connection with this commodity and this particular haul, to say to the railways, "On this particular class of traffic you are not entitled to any profit." He draws a distinction between that and the measure adopted with respect to the maritime province freight rates of paying for the twenty per cent cut ordered by parliament. He is capable of drawing distinctions too fine for my understanding, because I can see very little difference between those two propositions in principle. However, that may be, the intention of the government with regard to the mattter is well set out in the order in council, and I can say to my hon. friend, and others who may be interested, that the moment we get this information from the Board of Railway Commissioners as a government we will move in one of two directions. First, we intend to find out immediately from the nature of the report received whether the railway commission would have authority to do anything to meet any of the recommendations made which might appear to have the effect desired. That would be one course. The second course would be that I might undertake, as Minister of Railways, immediately to confer with the management of the Canadian National Railways, at all events, and probably with the Canadian Pacific Railway, who, I presume, would also be willing to confer on the matter, as to how far the railways would be prepared to go in advance of the meeting of parliament, having regard to the information made available to the government as a result of the inquiry by the Board of Railway Commissioners. That is as far as the government is prepared to go at the moment, all with the objective of bringing if possible, some relief to the situation prior to the next meeting of parliament; but I do think this parliament will desire to express itself upon the principle involved in legislation which will create for the first time a special rate in respect of transportation of one commodity from one part of Canada to another part of Canada. A very wide and important principle is involved in that. But in so far as the government can move upon the basis of the information we expect to receive from the Board of Railway Commissioners, the government will move along lines designed to mitigate the situation and widen the market for Alberta coal.

Mr. GARLAND (Bow River): In view of the position the minister has just now taken, would he not secure the coöperation of his colleagues in order to remove the immediate distress in the district and bring into

effect a supplementary estimate, in order to help move that coal, until he can put into effect the policy he has just enunciated? That would immediately relieve the situation.

Mr. DUNNING: I cannot give an immediate answer to such a question. The hon. member is aware that it is much easier for hon. gentlemen to make suggestions than it is for the minister responsible to give offhand a reply as to a matter involving the expenditure of public money. My hon. friend well knows that this would be a subject of governmental policy. Efforts have been made in the past along that line, and they have not been attended with the very best success.

Hon. HUGH GUTHRIE (Leader of the Opposition): Mr. Speaker, I have just a word to say in regard to this matter which has been introduced by my hon. friend from Bow River (Mr. Garland). The Minister of Railways (Mr. Dunning) has stated that in this question there are certain principles at stake, and he has discussed them. But one great principle he has not discussed. The situation to-day is this; the miners of Alberta want work, and the people of Ontario want coal. The principle at stake is: shall the Canadian people use Canadian coal? That is the principle which this government should undertake to apply. It should have a definite policy to lay before the House. For the last six years this has been a perennial subject of debate; but we have got nowhere—we have reached no conclusion, we have relieved no situation. Now, to anyone who takes an interest in this question—and my direct interest is only that of an Ontario consumer—it is discouraging when one recalls how the treatment of this subject has been delayed. I believe the order in council of February which has been referred to was not passed last February, but a year ago last February.

Mr. DUNNING: February, 1926.

Mr. GUTHRIE: On that order in council passed in February, 1926, we have as yet had no action. The matter was referred to the Board of Railway Commissioners; there it rests. An intimation is given to the House to-day that probably in June some finding will be made by the Board of Railway Commissioners, or that they will begin to deal with the question.

That brings me to the constitution of the Board of Railway Commissioners. Justice is not being done in this country to-day in regard to railway rates, and has not been done for the last two or three years, the reason being that the Board of Railway Commissioners, as at present constituted, are unable to do the work which has been delegated to them by the Railway Act and, in many instances, directed by this parliament. What are we going to do with that situation? It cannot go on as it is now. Is the government prepared to increase the personnel of that board and to divide it up, or is it prepared to divide up the present board, and allow us to have two boards sitting at the same time? If it requires the full membership of the present board to decide the cases which are referred to it, then it is quite within the range of possibility that there will be no finding on this coal question for another year, perhaps two years. What are the miners of Alberta and the people of Ontario to do in the meantime? There is a solution of this question, and so far as Ontario is concerned we complain of the delay in finding the solution.

Hon. CHARLES STEWART (Minister of Mines): Mr. Speaker, I do not propose to deal with the constitution of the railway board. I regret the delay in dealing with this matter as much as any member of this House, and I think a great many of our difficulties would be solved by more speedy decisions with respect to railway rates, particularly in regard to the complaint of the hon. member for Bow River. But my information from the locality from which the complaint comes is that during the past season a larger amount of coal has been mined than usual, and that the difficulty at the present moment is due to the local merchants having declined to continue to give the miners credit for supplies as in former years.

With respect to the movement of Alberta coal, I wish simply to point out that the special committee convened a year ago recommended a trial shipment of coal by rail and water. Hon. gentlemen will recollect that I made provision for that trial shipment. Let me remind those who are always talking about the anxiety of Ontario people to get Alberta coal, that they do not want our coal unless they can buy it as cheaply as the coal they are now getting from the States. That attitude is quite reasonable, but it makes the problem still more difficult of solution. There are two courses available. One is to put on a duty and shut out American coal, thus raising the price to the Ontario consumer. I assume that would be the policy my hon. friends opposite would adopt as a solution?

Mr. GUTHRIE: I hope so.

Mr. STEWART (Edmonton): My hon. friend says he hopes so. That is the policy his party would adopt as a solution. It, of course, involves a higher price to the Ontario consumer. That is not the policy of this government. My hon. friend says we have delayed a solution of this problem, but I think he will agree with me, as will any other hon. gentlemen who have given the subject careful consideration, that it is an absolute impossibility to bring bituminous coal from Alberta into Ontario without increasing the price to such an extent that a very grave hardship would be imposed upon the manufacturing interests of the province. But we do think we can move lignite, and we have offered subventions for this purpose. My hon. friend the ex-Minister of Finance (Mr. Bennett) last fall during the election campaign offered a subvention for the movement of 2,000 tons from Drumheller and another shipment from Lethbridge to Ontario. Only the movement from Drumheller took place. When we came into office, I conferred with the operators to see if they were not desirous of moving the balance of that coal, but in the course of the conference at Edmonton they pointed out to me that what they were anxious to get was a rate to move a large volume of coal as a seasonal proposition as provided for in the order in council. I had hoped that that decision would have been made. As I say, I provided for the trial shipment by rail and water. But I am informed—I may as well be open about this—that our people in Ontario who will handle the coal have no faith in the movement, that the deterioration would be too great. They say the movement must be by rail alone. With that view I am bound to say I agree, but I am prepared to carry out the recommendation of the committee. I am just as anxious as anyone else to secure the movement of a million or a million and a half tons of lignite coal from Alberta into Ontario. The people here are satisfied with that, but it is important that we move the coal at a price that will not increase the cost to the consumer.

Mr. GUTHRIE: The great question is, when are we to get action? We have been waiting six years.

Mr. STEWART (Edmonton): It has been maintained by representatives of Ontario and Alberta, who are on the board, that they can substantiate the claim that coal can be moved at $7 a ton, which will be out-of-pocket cost to the railways.

[Mr. Guthrie.]

Mr. BENNETT: No, not out-of-pocket cost.

Mr. STEWART (Edmonton): My understanding is that no overhead is to be charged in addition to the cost of moving.

Mr. BENNETT: But we knew what that was last fall.

Mr. STEWART (Edmonton): The railway companies dispute it. I am simply stating what representations have been made by the two provinces: they claim that they can substantiate this assertion to the satisfaction of the board. It must be a $7 rate or even lower than that before we can move the coal without increasing the price to the consumer. But if that can be done I see no reason why the quantity suggested cannot be transported. The statement is frequently made about $100,000,000 now going into the United States and which could be saved if we mined our own coal. That is a most erroneous statement to make. It is not possible unless we shut out altogether the 17,000,000 tons of bituminous coal which is coming from the United States. And I have not heard anyone with the hardihood to suggest that. I am bound to say that in my opinion it would impose upon our manufacturing industries such a handicap as would make their survival impossible.

Mr. GOTT: What was the situation when the American strike was on?

Mr. STEWART (Edmonton): There was no bituminous coal moved during that strike. Bituminous coal can be moved from Nova Scotia by an all-water route into a considerable proportion of Ontario, but not without increasing the cost. We have been devoting our attention simply to the domestic field, and I hope we shall secure the $7 rate which will enable us to move a million or a million and a half tons into Ontario. If that is not done I would even go so far as to suggest, as a member of the government, that we do something in this matter just as we did in connection with freight rates in Nova Scotia to meet a situation that does not prevail in other parts of Canada. I would say that parliament under those circumstances would be warranted in lending the necessary assistance to bring lignite into the Ontario field to the extent I have mentioned. On this matter I have taken the advice of members of the railway board and also of the legal department, and the two disagree. My officials are told by members of the railway board that this rate can be put into effect by order in council, but

that view is not shared by eminent lawyers. I fail to understand how the Canadian National Railways could resist to put into effect a rate fixed by the board and accepted by the governor in council until such time as parliament might deal with the matter.

Mr. GARLAND (Bow River): Sir Henry Thornton himself, in a letter to the minister dated May 6 last, definitely indicated his attitude

> We will not voluntarily depart from the $9 rate, and we must resist by every reasonable and legal method any reduction in our gross revenue which might take place should any lower rate be named by the railway board.

Mr. STEWART (Edmonton): He was referring to the $9 rate. That is correct. He said they would oppose before the board the application of a lower rate. However, I do not see why he would not put into effect until such time as parliament might take legislative action, a rate suggested after investigation by the board and requested by order in council.

Mr. JOHN EVANS (Rosetown): It is my opinion that the best solution for our land settlement problem is to send an immigration officer into Drumheller and to give assistance to those men who are willing to go on the land. If we did that we could solve the unemployment problem that now exists. I admit that there is seasonal employment, but at the same time there are too many in the industry, both in Sydney and at Drumheller, in proportion to the quantity of coal we are using. I do not think that coal can be economically moved from Drumheller into the cities of Ontario. Sir Henry Thornton speaks of a $9 rate while the minister hopes to secure a rate of $6 or $7. Now we have been continually told in this House that western grain is hauled at a loss. From Saskatoon to Montreal, grain costs 34½ cents per bushel or $11.49 per ton. If coal can be hauled at a rate of $6 or $7 a ton when grain cannot be carried except at a loss, paying $11.49, it is a mystery to me. There must be quite as much work in connection with the moving of coal as there is in moving grain: the trains would have to be broken up in every town and village. In other words, we are trying by uneconomical means to find a market for Alberta and Sydney coal, and that cannot be done. The natural place for Drumheller coal is across the boundary. The United States has for many years offered us free trade in coal, and I cannot see why we should not accept that as a solution for the present problem. Evidently the policy we are now following is a failure, and taking one thing with another it seems to me that it is impossible to haul coal into Ontario from Alberta at such a rate as will be economical.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): I want to make a last appeal for the unemployed. Reference has been made to the unemployed in Drumheller. In the last few weeks I have received scores of communications from almost every industrial centre from coast to coast regarding the situation. The Minister of Labour (Mr. Heenan) says to-day with reference to Drumheller, that the men require work and not relief. He should not stop there. If there are in this country large numbers of people who want work and not relief it is the duty of the government to provide that work. It is absurd that we should be spending millions of dollars in an effort to bring men into Canada while there are already in the country thousands who need work. We must recognize that fact. The Minister of Immigration (Mr. Forke) puts it off by suggesting that there may be some little trouble. Let me assure him that it is not a small trouble, nor is it local or temporary in character. It has existed year after year and has brought dire suffering to thousands of families. We may frankly admit that we have a great deal of seasonal labour in Canada, but simply to recognize that fact is not to absolve ourselves from doing anything further. To suggest anything of the kind is very wide of the mark. If we have considerable seasonal labour in Canada the Minister of Immigration and the Minister of Labour ought to get together and devise some means of providing employment to those who need it, instead of allowing individuals to suffer. The situation is becoming more and more aggravated by the influx of large numbers of immigrants from Europe. I want to read to the Minister of Immigration and the Minister of Labour a resolution passed the other day by the city council of Regina, the constituency of the Minister of Railways (Mr. Dunning). It was adopted on April 5, and was forwarded to me by some persons in Regina interested in the situation. It seems to me fairly to state the situation prevailing in a large number of our industrial communities.

> Whereas from time to time men seeking employment of a seasonal or casual nature are stranded without visible means of subsistence in our midst, although the labour of these men is of primary importance in the production and harvesting of our field crops and in the development of our country generally:
>
> And whereas the Dominion and provincial authorities by advertisement and the provision of special, low transportation rates to im-

migrants and men seeking seasonal employment, encourage these men to migrate without seeing that some provision is made for their protection against possible destitution or starvation during unseasonable climatic conditions and periods of unemployment;

And whereas a large number of such men have been arrested in this city and sentenced to varying terms of imprisonment as vagrants, while in some instances such arrests have been made by the police to protect men from the pangs of hunger and the danger of starvation;

And whereas in the opinion of this council the sentencing to jail of persons whose only crime is that of poverty and destitution is inhuman, unjust and anti-social;

Therefore be it resolved that we bring these conditions to the immediate attention of the premiers of the Dominion and of the province, to the federal Ministers of Labour and of Immigration and to the members for Regina in our parliament and legislative assembly, together with the urgent request that steps be taken forthwith to remedy the existing situation and prevent its recurrence.

Mr. FORKE: Might I just say now that I had inquiries made in regard to these people who were apprehended for vagrancy in Regina, and I was informed that not one of them was an immigrant; most of them were people who had been drifting around the city of Regina and who will continue to drift no matter what may be the employment situation.

Mr. WOODSWORTH: That is quite true, and I was going to state that very frequently these men who are out of work are not newly arrived immigrants, although the majority of those men have come from outside of Canada. The point is that newly arrived immigrants take the place of native born Canadians or older immigrants to Canada. The railways are constantly introducing new people who oust the older people from their jobs. That is no solution of the problem—rather an aggravation. The minister has made an investigation; I would like to ask him if he has investigated the situation existing at present in North Battleford, where a considerable number of immigrants were recently stranded. These are newly arrived immigrants, and I can say the same with regard to the Crowsnest pass district, where a large number of recent immigrants are already seeking work in the coal districts. I can refer to my own city of Winnipeg, from which I have had communications along the same line, and I can refer my hon. friend to the conditions of which I was told in Montreal last Sunday by some of the social service workers of that city. The fact is that we are not making adequate provision for the immigrants who come here and who, after working a few weeks or months in the summer, drift into our cities and become a load upon the civic charities. Further than that, many of these people obtain employment for a time at the expense of those who are already at work in Canada.

Under these conditions I would urge upon the government that before bringing another immigrant to this country and before handing over to the railways the right to inundate this country with immigrants, they make adequate provision for the care of these people, and that they at least see to it that native-born Canadians or the older immigrants who have been living in this country for some time will get an equal chance to obtain work with those who are imported from central Europe.

Hon. R. B. BENNETT (West Calgary): Mr. Speaker, I desire to add a few words to the discussion upon this matter.

At one o'clock the House took recess.

The House resumed at three o'clock.

Mr. BENNETT: Mr. Speaker, I will not detain the House at any length, but I cannot understand why, in view of the time that has elasped since this matter was first brought to the attention of parliament, nothing has been accomplished. The minister was good enough to refer to the fact that last fall he endeavoured to ascertain the out-of-pocket cost per ton of moving coal from the west to Ontario. It was originally contemplated that we should move three trainloads, one from the Edmonton district, one from the Drumheller district and one from the Lethbridge district. As a matter of fact the train that moved from the Drumheller district did not get into motion until, I think, about the day that the government disappeared from the scene. The hon. gentleman said that they did not think it desirable to move the trains from the Edmonton and Lethbridge districts.

The figures with regard to the actual cost of moving that coal from Drumheller to Toronto are in the hands of the department. They include a statement of what it cost for fuel, watering, grease, and labour from the time the engines were attached to the train at Drumheller until the train was abandoned by the engines in Ontario.

Mr. McGIBBON: Will the hon. member give us the figures?

Mr. BENNETT: I have not the details of the figures before me. They are in the department. The cost was something less than $2 a ton. Am I correct in that?

Mr. STEWART (Edmonton): That is the amount for the train.

Mr. BENNETT: In other words it cost a little less than $2 a ton without including any charges at all for interest on the investment in rolling stock or for an allowance for cost with respect to roadbed or terminals or any matters of that kind. What I cannot understand is why the railway commission should be putting this matter off in the way in which it has, in view of the fact that the department at Toronto had this information all carefully collected and collated, and had put their freight expert, Mr. Oliver from Chicago, if my memory serves me aright, to work on those figures. After making every possible allowance Mr. Oliver arrived at a certain conclusion with respect to the whole matter. That conclusion I have not officially received in the sense that I do not know whether or not it has been made public.

Mr. STEWART (Edmonton): I have not heard of that phase of it.

Mr. BENNETT: I am speaking of the Ontario government, not my hon. friend's government. The Ontario government collected the data, and they secured the benefit of the services of the best expert they could get for the purpose of applying those sets of costs to the movement of that freight, and making adequate allowances for the cost and interest on investment in terminals, rolling stock, roadbed et cetera, in connection with the movement of that coal.

What I have been wholly unable to understand is why it should take so long to determine this matter. If one looks at the record, one finds that for several years at various periods of time the matter has been under discussion in this parliament. The hon. member for Bow River (Mr. Garland), who was in this House two parliaments ago, discussed the matter then at length. It was discussed in the last parliament; it is now before this parliament, and no one has arrived at any proper conclusion as to the cost per ton of moving that coal from Drumheller or other parts of Alberta to Ontario. I hope the minister will not say that this is an expression of egotism with respect to what the government which was in power for a few months might have done; but I say this to the minister, that had the government that held office from July to September remained in office, we certainly would have known the cost of moving coal from Drumheller to Toronto. I can say that without boasting because there we had the first steps taken to have those figures analyzed by a freight expert for the purpose of determining that question. Why should the railway commission treat us in this way? I think I am not saying too much, and the Minister of Agriculture (Mr. Motherwell) who, in days gone by, expressed his opinion of the railway commission with great vigour and in terms that will not soon be forgotten by a long suffering populace—

Mr. MOTHERWELL: Was that opinion justified?

Mr. BENNETT: I am about to come to that. It is so seldom that I find myself in such complete accord with my distinguished friend that I should mark this occasion by saying that I believe the railway commission is rapidly losing the public confidence of this country. I say that in no offensive sense, but with a due sense of deliberation and of responsibility. It is the duty of parliament, which created that body, to ascertain the causes of the delay. This is possibly neither the time nor the place to discuss this question at length, but the same reasons that induced my genial friend the Minister of Agriculture to arrive at his very definite conclusions and to express himself with that moderation which so characterizes him with respect to that commission, induce me with somewhat the same moderation to arrive at similar conclusions.

I suggest to the Minister of Railways and the Minister of the Interior that they should seriously take into account whether the railway commission has done everything possible in respect to the matter. From the casual investigation I have made I feel satisfied that, in the light of the figures we have as to the cost of moving coal this whole matter could be determined in one week's time, beginning on Monday and closing on Friday afternoon. That is my information, and I am making every allowance now for the delays that are incident to such an inquiry. I happen to know that the Ontario government has a vast mass of information carefully collected, carefully analyzed, and carefully collated. They have their experts ready to appear on a very reasonable notice. This government also has its figures ready, and the mine operators and the miners themselves are in a position to give any information that is required. So, if there was a desire to serve the public in this matter on the part of that great commission that has been set up by this parliament and is maintained at a high cost, I cannot understand why in a week's time it should not give us this information.

I agree with the hon. member for Bow River (Mr. Garland) that if we let this matter

go on—the Minister of Railways must see this—if we leave this House with nothing done, we shall probably not convene again until next year; this is only April, and in the meantime the fall operations in the collieries of Alberta will commence along about September; I fancy it is not unfair to say that they begin to work the last week in August or the first week in September, and if we leave this House with nothing done in this matter what is going to happen?

I am not going to deal with the question of unemployment. I deprecate greatly the observations that were made in this House this morning by the hon. member for Winnipeg North Centre (Mr. Woodsworth), because if this country is ever going to make progress we have to get people into it, and the more people we get, the more work there is going to be. It is all nonsense to talk of a close preserve for occupations in this country, and everybody knows it; the idea is absurd. Instead of encouraging that sort of thing, we must frown it down. We are masters of our own fortunes and we must have the courage to grasp the situation and not tell people that they are coming to Canada to be pap fed, but that they must struggle, as we all have had to struggle, and as we must continue to struggle if we are to succeed.

Mr. DUNNING: Hear, hear.

Mr. BENNETT: And no more fitting illustration could be afforded than by the "hear, hear" of my hon. friend the Minister of Railways. When I picture him with a seat in the mother of parliaments, expounding on some future occasion to an amazed populace the benefits that will accrue to them from adopting some of the forms of government that he has learned in this country, I can realize that the future of the British Empire is assured. But seriously, Mr. Speaker, I cannot but think that the minister can bring some pressure to bear, and that this parliament should not be impotent with respect to the railway commission. Surely a body that parliament created is not going to sit there and tell us it has so much work to do that it cannot do a week's work for us on a vital question.

I am not going to take up further time because the ground has been fully covered already, and reiterating what has been said is not going to serve any useful purpose. What was said by the hon. member for Bow River and the leader of the opposition (Mr. Guthrie) as to the real problem was placed before this House in half a dozen sentences in such a way that it must commend itself to everyone. Are we going to permit our great natural resources to lie undeveloped without giving employment to thousands of men, merely because we have in the commission a body of men who say that they cannot give five days of their time to the solution of the question of what it costs to move these natural resources to the province of Ontario? I am not concerned with any other problem at the moment, but it does occur to me that we should not leave this parliament without making some effort to place on the statute book legislation to make effective any measure which the government desires to adopt in the light of the information forthcoming by reason of an inquiry before the railway commission.

Mr. DUNNING: Before my hon. friend sits down, will he permit me to ask a question?

Mr. BENNETT: Any question put by the minister will be received with delight, and answered to the best of my ability.

Mr. DUNNING: It is based on what I know to be my hon. friend's desire to be constructive and for parliament to be constructive in this matter. In order to make my question intelligible, perhaps I might say that the government regards as positively scandalous the extent of time which has been consumed by counsel representing railways and some of the provinces, not all of them—I do not want to be unfair—in presenting their case in the general rate investigation. To be fair to the commission, I think my hon. friend will agree that several attempts have been made by the chairman of the commission and other members to expedite that inquiry. The question I wish to ask my hon. friend is as to whether he, being a member, and a very distinguished member, of the legal profession is of opinion that something could be done, without interfering with the rights of the people to present their cases, to limit the extent to which such presentations shall go. Possibly out of his experience, my hon. friend might be able to make some suggestion along that line.

Mr. BENNETT: Well, Mr. Chairman, a frank question deserves a frank answer: Give me another chairman of the board.

Mr. DUNNING: I hardly think that is an answer.

Mr. K. A. BLATCHFORD (East Edmonton): I agree with the hon. member for West Calgary (Mr. Bennett) that it is high time the railway commission settled this freight

rate question which has been hanging fire for a number of years. I represent a coal province and a coal district, and I was elected on the coal marketing platform. I find that this government is dilatory in carrying on its work, and the so-called railway commission is even worse. I voted for the Duncan report and supported the legislation in favour of reduced freight rates for the maritimes, but the province of New Brunswick and the province of Nova Scotia, together with the board of trade of Montreal, were the very first people to attempt to take out an injunction to stop the introduction of the Crowsnest rates west and any reduction in the freight rates west through the mountains. If we had a 20 per cent reduction in our coal rates, as is proposed in the Duncan report, we could place our coal in Ontario for $7.20 a ton, and the operators in Alberta tell me that at that figure they could meet the American competition. I think we should decide right to-day as to whether this government has power to put into effect any finding of the railway commission on the coal rates. If it has not, then this parliament should give the cabinet power to put into effect whatever recommendations might be made by the board, and if the recommendations are not within reason, let us give the cabinet power to bring about a reduction in the freight rates so that Alberta coal can be delivered in Ontario at a rate that will enable it to meet American competition.

Mr. G. G. COOTE (Macleod): Coal mining in Canada is distinctly a seasonal occupation, and we are bound to have seasons when unemployment will be fairly general in that industry. I think, therefore, that the Immigration department should be very careful to see that that unemployment situation is not aggravated by the bringing in of immigrants who, within a very few weeks of their arrival in this country, drift into the mining areas to make the situation just that much worse than it otherwise would be.

I do hope that the government will press the railway commission for an early decision in the inquiry which they have been instructed to carry on to ascertain the cost of hauling coal in trainload lots from Alberta to Ontario. I hope also that when that report is received, the government will take some action, if such is possible, along the lines suggested in that report. It seems to be the opinion of the government that they have the power to take action if the railway commission should find a rate in the neighbourhood of $7 per ton.

I hope also that when this report is received, some reduction may be possible in the rate on coal from the bituminous fields in Alberta to the city of Winnipeg. May I point out to the House that at the present time the rates from points in the vicinity of Blairmore, which is in the bituminous coal fields, to the city of Winnipeg, a distance of 855 miles, is $5.20 a ton. I think hon. members who are familiar with the coal trade will realize that when the coal producers have to pay a rate of $5.20 a ton, they are faced with a very difficult problem in supplying the market with bituminous coal. Winnipeg is our chief market outside of the railway companies.

The present rate on coal from points in Alberta, from Drumheller, say, to Toronto, a distance of 2,100 miles is $12.70 a ton. I believe that the Canadian National railway officials have said that they can haul it for $9 a ton. I would like hon. members to compare that rate for hauling the coal a distance of 2,100 miles with the rate of $5.20 for hauling it a distance of 855 miles. I think it would be quite possible to put into effect a summer rate which would not injure the railways, but might be to their advantage on bituminous coal from the province of Alberta to the city of Winnipeg, and I think the argument which was used by some hon. members in the debate on the maritime freight rates bill would apply here, namely, that the increased traffic due to the decreased rate would bring more revenue to the railway.

I want to refer to a statement made by the Minister of Railways (Mr. Dunning) this morning, when he said that the members in this corner of the chamber had opposed his bill granting reduced railway rates in the maritime provinces. I tried to make it very clear when I was speaking on that bill that I was not opposing that part of the proposal which had for its effect reduced rates on inter-provincial trade to overcome the long haul which separates the central from the maritime provinces. But I did oppose the bill in so far as it proposed to reduce purely local rates and to bonus them at the expense of the Dominion in general. If any proposal is made to subsidize rates on coal from Alberta to Ontario, it will be simply to overcome the long haul which separates our source of coal supply in Alberta from the central provinces, where the bulk of the population is. That is an entirely different matter from subsidizing local freight rates in a compact area such as the maritime provinces.

In closing I simply want to urge upon the government the desirability of dealing with this question as quickly as possible. We have

this situation of unemployment arising every year in Alberta in the coal mines. We will have a certain amount of it, even if some arrangement is made whereby Alberta coal can be brought to Ontario. In my opinion we will never get a satisfactory solution of the coal problem in Canada until we have nationalization of the coal mines. A provincial royal commission investigated the coal mining industry in Nova Scotia about two years ago. In their report they indicate that the miners should accept a ten per cent reduction on the 1924 scale. This would give them an average yearly wage, according to the Bureau of Statistics, of $896.28, covering an average of 202 days' work per man. If under this decreased wage they should secure an increase of fifty per cent in the days worked per year—and I do not think it possible that they could be given 303 days' work per year—it would make their average yearly income $1,344.42. Evidence was given by Mr. C. W. Bolton, of the Department of Labour at Ottawa before the standing committee on industrial relations that the cost of a family budget for a year, on the minimum subsistence level, was $1,396.82. I think that goes to prove what I have already suggested, that if we are to have any real solution of this whole problem of Canada we must eventually have a nationalization of the industry.

SUPPLY—MARITIME CLAIMS

Mr. THOMAS CANTLEY (Pictou): Mr. Speaker, I desire to refer to a matter that I conceive to be of very great importance to my native province, and in doing so I shall take up as little time as possible. Following the example of the Prime Minister when dealing with a matter that he conceived to be of very considerable importance, I propose to read much of my remarks so as to ensure accuracy as to statements to be made.

In discussing the action of the government relative to the implementing of the Duncan report, I fully realize what has so often been contended, namely, that Canada is a country most difficult to govern due to its geographical and sectional handicaps.

I wish now to thank the government for what they have done by way of partially implementing their promises as to putting into effect the recommendations of the Duncan report.

The Prime Minister in this chamber on Friday, March 18th last, when making a statement on behalf of the government arising out of the report of the royal commission on maritime claims, said:

> In concluding this statement, may I say that the government hopes that, by accepting as we have, the recommendations of the Royal Commission on Maritime Claims, virtually in their entirety, parliament and the country will recognize in the attitude of the government a wish to remove this great question as largely as possible from the arena of sectional discord and party strife, and a desire to give to our Dominion in the sixtieth anniversary of its founding, a renewed expression of the spirit which animated the fathers of confederation in their efforts to construct out of British North America a federal union under a system of government devised "to protect the diversified interests of the several provinces and secure efficiency, harmony and permanency in the working of the union."

In those words he conveyed the impression that the recommendations of the Duncan report have been entirely met, or virtually so, which impression has been given to the country through the press, with which I cannot agree.

On the 7th April, 1926, an order in council, P.C. 505, was passed appointing the Duncan commission.

This royal commission was appointed as a result of the dissatisfaction existing in the maritime provinces with reference to economic conditions then and theretofore obtaining in that part of the country for several years.

Under the terms of the order in council it was pointed out that "it is most undesirable that any section of the people of the maritime provinces should entertain the opinion that their interests are being knowingly prejudiced, and that the public interest requires that every occasion for the existence of a feeling of grievance should, if possible, be removed."

In the Prime Minister's letter, dated April 17th, 1926, to the chairman and members of the commission he made the following statement.

Mr. DUNNING: I rise to a point of order. If at this late day in the session we start in allowing hon. members to so far depart from the rules of the House as to read voluminous and carefully prepared speeches—as the hon. member is evidently doing—we will be starting something that may delay us very seriously.

Mr. GUTHRIE: If it is not permitted in this case, perhaps hon. members may start something which will delay us a good deal more.

Mr. DUNNING: There is a rule of the House with reference to reading speeches.

Mr. McGIBBON: The Prime Minister did the same thing. He read a statement.

Mr. BENNETT: I am glad the hon. member does not call it a speech.

Mr. CANTLEY: I want to put my statement on record and propose reading it for the same reason as that given by the Prime Minister when he recently read his speech.

Mr. SPEAKER: I must say that, strictly speaking, the hon. member is out of order. But he said he had carefully prepared a statement which he wanted to place on Hansard, which would take about twenty minutes to read. It is a very important subject, and under these circumstances, knowing the House is very indulgent towards hon. members I think perhaps the House might give the hon. member permission to read the statement.

Mr. CANTLEY: Thank you, Mr. Speaker, I was proceeding to refer to the Prime Minister's letter. The letter reads:

My colleagues and I desire to emphasize our conviction that the commission should not interpret its instructions or its duties in any narrow or technical sense, but should take every opportunity for the fullest and frankest discussion of the economic difficulties facing this part of the Dominion, the endeavours which have been made to overcome them, the causes of any shortcoming in these endeavours, and the most effective and practicable remedies.

And farther down:

It is our earnest desire that the impartial and thorough inquiry which we anticipate will be made will result in clearing away any misderstanding or lack of appreciation of one another's problems, and will assist in working out constructive policies for the continued development of the maritime provinces and the welfare of all parts of our common country.

The commission entered upon its duties of taking evidence, and the prime ministers of the maritime provinces assisted by presenting the case for the people of these provinces, and altogether a formidable array of facts was presented to the commission, of which due acknowledgment is made in their report, and unfortunately as to one specific and most important part of the investigation no action was taken by the commission, the reason for which is stated in the report. I refer to the matter of the customs tariff in relation to coal and steel. On page 37 of the report it is stated in respect to this matter:

We do not conceive it to be our duty to express any opinion, since the question is, as we were informed by the chairman of the Tariff Advisory Board, who met us at our request, at the present moment under the consideration of that board. But we do regard it our duty to record that the significance of this industry to the maritime provinces was forcibly brought home to us, not only in the manufacturing towns we visited in the maritimes, but also throughout the agricultural districts of the maritimes. We record this in order to emphasize the need for prompt action.

The findings of the report may, after analysis, be reduced to eighteen.

1. Subsidy award.
2. Twenty per cent freight reduction.
3. The enlargement of the scope and power of the railway commission.
4. Horizontal war freight increases.
5. P.E.I. car ferry.
6. Port development and maritime trade.
7. Development of natural products.
8. As to fishing projects.
9. Coking plants.
10. Customs tariff on coal.
11. Steel customs tariff.
12. Steel bounties.
13. Recommendations as to more active advertising abroad of maritime provinces' attractions and advantages.
14. St. John and Quebec railway.
15. Kent Northern railway.
16. Appointment of Deputy Minister of Fisheries.
17. New geological survey of New Brunswick and Prince Edward Island.
18. Agricultural education to be regarded as technical education in the province of Prince Edward Island.

On August 25, 1926, before the Duncan report was made, but after practically all the evidence was in, and at about the period when the commission was making up its findings, the Prime Minister at numerous places in the maritime provinces—notably at the city of St. John on the 25th; at Windsor, in the county of Hants, and at Port Hawkesbury, in the county of Inverness—made definite, exact and specific pledges that if returned to power his government would introduce measures giving effect to the recommendation of the commission in its entirety. This pledge was made without reservation of any character, kind or description.

On March 18 the Prime Minister in the House of Commons—page 1332 of Hansard—made the statement already quoted.

As to the financial arrangements and subsidy award the commission recommended that immediate interim increases should be made to the three maritime provinces, as follows:

Nova Scotia	$875,000
New Brunswick	600,000
Prince Edward Island	125,000

and that these interim payments should be continued until the federal government has had time to complete its investigation and

reassessment. These recommendations were based on the belief of the commission—no doubt founded upon the evidence and representations made to them—that the figures mentioned were the minimum addition that these provinces would have in any such revision.

The Prime Minister, in his statement of March 18, refused to accept this view, saying:

It is not possible in advance of the deliberations of the conference and of the detailed determination and assessment which the report recognizes is necessary, to accept the view for which no detailed grounds are advanced, that certain sums set forth in the report should be regarded as "the minimum addition that the three maritime provinces should have in any such revision.

The commission recommended that an immediate reduction of twenty per cent on all rates charged on (a) traffic which both originates and terminates at stations in the Atlantic division—including export and import traffic by sea; and (b) the same reduction on the through rates on all traffic which originates at stations in the Atlantic division—excluding import traffic by sea—which is destined to points outside the Atlantic division.

Under Bill No. 224, which has now passed this House, the recommendations of the commission have been limited to:

A.—Local traffic.
B.—Traffic moving outward westbound, all rail; and
C.—Traffic moving outward, export traffic, rail and sea.

The government has expressly excluded from the operation of the act:

A.—All rail traffic to and from the United States.
B.—Inward traffic, eastbound, from points in Canada not on the eastern lines;
C.—Import traffic to Canada originating at points overseas.

These reservations and exceptions, particularly with reference to all rail traffic to and from the United States, are directly contrary to the recommendations of the Duncan report and fail to give relief to the fishermen of the province of Nova Scotia, the growers of potatoes and agricultural products in the provinces of Prince Edward Island and New Brunswick, and the manufacturers of pulp, paper and lumber in the province of New Brunswick—industries of the greatest magnitude, in which millions of capital are invested and which directly affect the whole population of these two provinces.

With respect to enlarging the scope and powers of the railway commission direct refusal was given to this recommendation.

The Prime Minister stated on March 18th that this recommendation would bring about a radical change in the fundamental powers of the railway commission, affecting the whole of Canada and that it has no immediate bearing on the rights of the maritime provinces any more than other parts of Canada. With respect to that statement we enter our emphatic protest; to argue the matter here would involve lengthy detail of a technical character and we register our position by this affirmation.

As to the horizontal war freight increases, the commission called special attention to this very important feature of the railway situation. We—

Mr. DUNNING: Will my hon. friend pardon a question? He keeps using the word, "we." I wonder if he will be kind enough to tell me for whom he is speaking?

Mr. CANTLEY: For myself.

Mr. DUNNING: Just alone?

Mr. CANTLEY: For myself. The commission called special attention to this very forcibly in regard to the railway situation and stated that the reaction of the burden which it imposes is so great that, in their view, it should be dealt with as a special problem. These horizontal flat percentages result in great hardships to the maritime iron and steel industry, the burden of which it has to meet now, as compared with Ontario plants, being much greater than it was prior to 1916. As to this most serious situation, no action has been taken.

As to the Prince Edward Island car ferry, the commission drew attention to the inadequate car ferry service and pier arrangements, and pointed out that the railway administration admitted there was need for either a second ferry boat or a special freight boat. As yet no action has been taken in this matter.

With regard to port development and maritime trade, the commission stated its belief that:

It is in the public interests of Canada and in the interest of the future growth and expansion of its activities that its Atlantic ports should be developed, just as it has been that its railways and canals should be developed.

This means, if it means anything, the true nationalization of the ports of St. John and Halifax, their equipment and development as national works for the general advantage of Canada in the same manner as the canal system of Canada has been developed and maintained. The creation of harbour boards at St. John and Halifax is accepted as a first

step in this direction. But may I be permitted to point out that with respect to traffic to these Canadian ports very substantial steps forward will have to be taken by the government, the railways and the railway commission of Canada in order to bring about that which lies nearest to the hearts of the people of St. John and Halifax, namely, the ultimate utilization of their ports as the Atlantic gateways of Canada.

As to fishing projects, the commission recommended the extension of markets for the fishing industry of the maritime provinces, and in this connection the Prime Minister took occasion to refer to the attitude of his party on the question of reciprocal relations with the United States. May I suggest that if the government seriously contemplate taking up the question of reciprocal trade with the United States or with any other country, it should revise the Canadian tariff in order that they may have some weapon to bargain with, just as Australia, the French republic and other countries have done in the recent past.

Now, as to coking plants. The commission recommended that immediate practical steps be taken by the federal authorities in regard to the question of coking plants. Bill No. 233, "an act to encourage the production of domestic fuel from coal mined in Canada" was recently enacted by this parliament. This act, Mr. Speaker, will be of practically no advantage to the Canadian coal industry either in the maritime provinces, Alberta or British Columbia while tariff item No. 1049 remains in effect, which item reads as follows:

When imported after March 24, 1925, by proprietors of by-product recovery coke ovens, and converted into coke at their by-product recovery coke ovens, provided that no drawback shall be paid under this item on coal converted into coke at a gas retort plant or at a plant using any other process than the by-product coke process; also provided that drawback payable under this item is in lieu of drawback payable under any other item.

Officials of the government have been advised as to the governing facts in the case. Further, Bill 233 as enacted is unfair to existing coke oven plants and should be amended so as to apply to any by-product coke oven now existing in Canada, provided the coal used in the operation of such plants—

Mr. DUNNING: Mr. Speaker, my hon. friend is now clearly out of order. He is discussing a measure which passed this House this session after being fully debated.

Mr. SPEAKER: Is it the intention of the hon. gentleman to discuss Bill No. 233?

Mr. CANTLEY: Yes, Mr. Speaker.

Mr. SPEAKER: Then he is out of order.

Mr. CANTLEY: Do you rule that I cannot proceed at all?

Mr. SPEAKER: No, but it is not in order to refer to a matter that has been decided this session.

Mr. CANTLEY: Well, Mr. Speaker, I will let that go. But I may say that the policy of the government reflected in the present customs tariff as to coal and coke is a repudiation of the clearly expressed policy of the Liberal party as expounded by the Right Hon. Mackenzie King. I suppose I can say that? Speaking at Amherst, the capital of one of the coal counties of Nova Scotia, namely, Cumberland, on August 5, 1921, before an audience estimated at five or six thousand, the right hon. gentleman repudiated his free trade policy and then announced the policy of his government with respect to coal and the transportation of coal to the markets of the upper provinces. I regret the Prime Minister is not in his seat, because I do not like to criticize any hon. gentleman in his absence. On that occasion the Prime Minister said:

Free trade is not the policy of the Liberal party. If it were I would oppose it because I believe it would bring disaster to our industries and remove from the farmers the home market, which is practically the only market they have left. Free trade may be all right for the wealthy grain growers of the west whose wheat goes to the foreign markets and who do not have to worry about selling their produce at home. But it would mean paralysis in the maritime provinces.

The right hon. gentleman proceeded:

I am a firm believer in the establishment of a national coal policy for Canada. No country, especially a country with cold winters, which depends on a foreign nation for its fuel, can claim to be independent of that nation.

He then announced his policy:

Every pound of coal purchased by the government should be mined by Canadian miners and transported over government railways to the points of consumption. Coal required by other consumers in Canada should be carried at cost.

That was the policy which the right hon. gentleman announced, and upon which he received the solid support of the constituencies of Nova Scotia in 1921. Had the government of the right hon. gentleman put that clearly declared policy as to coal into effect, Nova Scotia to-day, I submit, Mr. Speaker, would be in a quite different industrial and financial position, and Canada's political, economic and financial independence of the United States more fully assured. I submit that the difficulties with regard to the coal trade of Nova Scotia would now

have been satisfactorily settled had the right hon. gentleman put that policy into force five years ago.

It is also submitted that the drawback on coal used for coke employed in the steel manufacturing is, in effect, the bonusing of industry to the extent of the rebate of duty, because no compensating advantage is given to Canadian coal so used, and the production of Canadian coal is very definitely discouraged, whereby the main object of the import duty on coal is frustrated. This rebate constitutes a very serious discrimination against the coal producers of Nova Scotia. The effect of the drawback is also to lower the production costs of companies competing with Nova Scotia steel producers.

In this connection, the commission also stated:

> We have thought it right to give consideration to a point which was emphasized in the course of evidence, namely, that a drawback of 99 per cent of the duty is given when imported coal is used for metallurgical purposes, and that this is tantamount to giving a bonus of that amount, since it means that the Dominion is yielding up money which otherwise, under the general policy in regard to bituminous coal, would accrue to it. While there are, no doubt, other angles from which this concession can be regarded, it does in this operation have the effect of a bonus, and it is difficult to say how the same bonus can be denied to native coal. The commission in this connection recommends that a bonus should be given in respect of steel when Canadian coal is used in its manufacture and that such bonus should be calculated on the basis of the present drawback for every ton of coal used in such manufacture.

The commission further state that calculations show that as a result of the operation of the customs tariff if the labour employed in the production of iron and steel and its raw products is taken as the unit of measure of productive value, the protection afforded Nova Scotia labour under the present tariff is only 28 per cent, whereas elsewhere in Canada the protection to labour is between 85 per cent and 100 per cent and assistance was asked for in respect of the steel industry by way of appropriate tariff adjustments and bounty. They further add that it was submitted that the tendency of the tariff as affected by successive changes had been to lessen the protection upon the primary products of iron and steel and to greatly encourage their importation from other countries.

Having regard to the facts set out in their report, the commission recommended that a bonus should be given in respect of steel when Canadian coal is used in its manufacture, and that the bonus should be calculated on the basis of the present drawback for every ton of coal used in such manufacture.

As to this important recommendation, no action has been taken by the government.

As regards customs tariff on steel, it is pointed out by the commission that it was submitted that the tendency of the tariff, as affected by successive alterations, has been to lessen the protection upon primary products of iron and steel, and to encourage the importation of steel as the raw material for the fabricating of agricultural implements, and other manufacturing industries in Canada. In respect to the matter of tariff, the commission state that they do not conceive it to be their duty to express an opinion save to emphasize the need for prompt action. Here we note that the royal commission, in refraining from investigating and recommending remedies as to tariff tendencies and lack of adequate protection in the matter of steel, due to an intimation that the Tariff Advisory Board was considering the matter, in our judgment failed to act up to the full scope of the order in council and the terms of reference, particularly as stressed in the letter of April 17 last addressed to the chairman of the board by the Prime Minister.

Here it may be noted that the Tariff Advisory Board was created by P.C. Order April 7, 1926, the same date as that of the order creating the Duncan commission. The duties of the tariff board, as set out in clause 1 of the order in council of April 7, 1926, were as follows:

> The duties of the board shall be to inquire into and hear representations on all matters pertaining to the tariff and other forms of taxation, as may be directed by the Minister of Finance, and to advise the minister in regard thereto.

It is apparent that the tariff board could only deal with the matter of steel bounty and duties as and when directed by the Minister of Finance. Parliament has been informed as to the number of cases which the board was asked to investigate, and it was understood that thirteen cases only had been reported upon. But the House has no information as to the findings made in these cases. Both boards were created on the same date, April 7, 1926. The Duncan commission completed their investigation and submitted their report on September 23 last. The case of the steel trade of Nova Scotia was submitted to the Tariff Advisory Board on January 18, 1927, but so far as the House is aware no report has yet been submitted to the government by that body. At any rate, if such has been made, the findings or recommendations in the case are not within the knowledge of parliament.

Mr. YOUNG (Weyburn): The steel men have not yet completed the statement of their case to the Tariff Advisory Board.

Mr. CANTLEY: I am not aware of that.

Mr. YOUNG (Weyburn): It is a fact.

Mr. CANTLEY: The Prime Minister, referring to the matter on March 18 last, stated:

> Owing to the uncertainty of conditions surrounding the iron and steel industry in the maritimes the government does not feel in a position to make at present any pronouncement as to bounty on steel.

The Prime Minister did not there infer anything of the kind suggested by the hon. member for Weyburn. We now enter our emphatic protest against the attitude of the government in this matter and the reason given by the Prime Minister for the government's inaction.

Mr. RALSTON: When the hon. gentleman says "we" does he mean "I"?

Mr. CANTLEY: Yes.

Mr. RALSTON: We may take it, then, that the plural pronoun in every case in which the hon. gentleman uses it, nominative, possessive or objective, is meant to be singular?

Mr. CANTLEY: I am speaking for myself. I do not know that it makes any difference whether I use the singular or the plural.

Mr. RALSTON: Is the hon. gentleman speaking for the person who wrote that brief, or for himself?

Mr. CANTLEY: The person who wrote the brief and myself are one and the same.

Mr. RALSTON: Then "we" is really singular—it refers only to the hon. gentleman? If that is so, Mr. Speaker, I again urge the point of order already taken. The hon. member is reading from a document in which he is constantly using the plural pronoun, evidently for the reason that he is embarrassed by the necessity for having to depend upon a written statement. I would ask that either he desist from reading, and make his address in the usual way, or, if he persists in reading from the document, that he use the singular pronoun and make the necessary changes in the statement as he has it.

Mr. GUTHRIE: That is not a point of order. The only point of order has reference to the hon. member's right to read from a document, and Your Honour, I understand, has ruled on that question. There is no point of order apart from that.

Mr. RALSTON: I did not understand the Speaker to give a ruling. I thought the Speaker intimated that through the indulgence of the House the hon. gentleman might read from the document. All I ask is that, if he continues to read from the paper he has in his hands, he transpose the pronouns and use the singular instead of the plural.

Mr. CANTLEY: I have no hesitation in declaring that I speak for myself. At the same time I believe I speak for the large majority of the people in the eastern section of Nova Scotia, and whether I use the singular or the plural I take full responsibility for the statements I make.

Mr. SPEAKER: I do not think that exception may be taken to the pronoun which the hon. member chooses to use. Sometimes personages of high degree use the plural in reference to themselves. Indeed, no document bearing the imprimatur of royalty appears with the singular pronoun. I would point out to the hon. member, however, that he gave the House an undertaking to conclude his remarks in about twenty minutes. He indicated that inasmuch as the question he wished to discuss was of a technical nature he preferred to use a written document, but he promised, with the indulgence of the House, to conclude the statement as briefly as possible. May I suggest that the indulgence of the House will soon be exhausted. I do not want to prevent the hon. member from concluding his remarks, but I would suggest that now and then he depend upon his memory and not refer exclusively to the document.

Mr. CANTLEY: I do not profess, Mr. Speaker, to be as experienced in debate as the Prime Minister—yet. I point out though that I am only taking advantage of the same privilege which the right hon. gentleman availed himself of when discussing his subject.

Mr. SPEAKER: All authors on parliamentary procedure are agreed in the positive statement that only the leaders of the House, on important occasions, may read their statements. With the indulgence of the House a new member may also resort to a document. I take it that the hon. gentleman is a young member.

Mr. CANTLEY: Thanks for the compliment, Mr. Speaker. Had I not been interrupted I should have completed my remarks by this time. There are several other matters which I should like to refer to, and I shall make a brief reference to them in their order.

Now I come to the recommendation as to more active advertising abroad of maritime provinces' attractions and advantages. The Prime Minister, in his statement of March 18, made no allusion or reference to this, beyond saying that the federal authorities would cordially welcome the larger measure of coöperation on the part of the provinces which the commission recognizes as fully desirable and necessary. No specific proposal to give effect to the commission's report in this regard has been brought down by the government, or action contemplated.

With regard to the St. John and Quebec Railway the commission stated—page 41—that in their opinion there was need for further investigation into the question of the alleged promise of the Dominion authorities to take over the railway, or into the grounds upon which the belief is founded, that such a promise was made and that a further opportunity should be given to the province to establish their case, and recommended that the government should, with the concurrence of the province, set up an ad hoc tribunal to inquire into the circumstances surrounding this matter, with power, if justified, to arrange the terms and conditions on which the railway should be taken over by the government. In other words, the commission recommended that this railway matter should be made the subject of a further full and fair investigation on its own merits, disentangled from any other railway problem in the maritimes.

The government does not take this view, but alheres to the view that the whole question of the acquisition of branch lines in New Brunswick and in the traffic area must be considered together. This is not in conformity with the commission's recommendations, and will not give satisfaction either to the government or to the people of the province of New Brunswick, their contention being that the matter is one which should be dealt with on its merits, and on its merits alone, and in accordance with the recommendation of the commission. Furthermore, the Prime Minister, in his statement of March 18, said that the matter would be taken up at the present session of parliament. In view of the imminence of prorogation, it is evident that no legislative action is to be taken for another year, against which I respectfully, but firmly protest.

With regard to the Kent-Northern railway, the recommendation of the commission was that the present was an appropriate time to reopen negotiations for the purchase of this branch line. So far as any pronouncement from the government is concerned, it would appear that this specific recommendation had been disregarded.

The government has given immediate effect to the recommendation that a deputy minister of fisheries be appointed, and in that respect is to be commended. The appointment of an experienced and properly qualified man to the position of deputy minister will be welcomed, but if the position is to be filled by a political appointee without experience and without the necessary qualifications, the benefit of the recommendation will have been largely, if not altogether, lost.

On the question of a new geological survey of New Brunswick and Prince Edward Island, a definite pledge has been given by the government to carry out this recommendation of the commission, which pledge is welcome, as is also the acceptance of the recommendation that technical education legislation should be given a broad application, and that agricultural education should be deemed to be covered by the term "technical education."

The Duncan report is disappointing in that it does not deal more definitely with some of the matters which most vitally affect the maritime situation, notably so as to discrimination in class and commodity freight rates on iron and steel products, coal and coke; also on domestic rates on cattle feed and grain products for human consumption.

Further, since the issue of the Duncan report, it has been discovered that for a number of years there has been in existence a secret rate on foreign import coal and ore of fifty-four cents per gross ton for a distance of 140 miles. This rate is 12.3 per cent of the class to which the traffic belongs, or 3.4 mills per ton mile, and is the lowest rail rate in force in Canada. It will be remembered that in January of last year members of this House asked the government to put in force a special rate of 3½ mills per ton mile, on a small tonnage of coal from Nova Scotia to Montreal as a temporary relief rate, which request was then refused, and has never been available to Nova Scotia coal.

Mr. GARLAND (Bow River): May I ask the hon. gentleman a question? Did he refer to an import rate on coal?

Mr. CANTLEY: That is what I am referring to.

Mr. GARLAND (Bow River): At what ports would such coal be landed, lake ports or ocean ports?

Mr. CANTLEY: Lake ports.

Mr. GARLAND (Bow River): That would be American coal, then, with a special rate of 54 cents per ton?

Mr. CANTLEY: Yes.

Mr. YOUNG (Weyburn): Does everyone enjoy that rate? The hon. member said it was a secret rate.

Mr. CANTLEY: If my hon. friend will wait a moment I will give him the information. Were Nova Scotia given the same class rate on the maximum standard mileage basis, the rail rate on coal from Sydney to Montreal would be $2.05 per gross ton of 2,240 pounds instead of the tariff rate of $4.50 per net ton of 2,000 pounds now charged, and Nova would be shipping one to two thousand tons per day to Quebec points and so would be able to provide steady employment for Nova Scotian colliery workers and railway employees. The same thing would apply to the coal operatives of the western territory referred to this morning. The people of the maritime provinces accept in good faith what the government has announced will be done in connection with the various matters on which action has been taken, and will hold the government accountable for the final completion of the whole program.

Mr. DUNNING: Before my hon. friend leaves that phase of his speech I wish he would give me some information regarding the secret rate tariff to which he refers. Can he give me the schedule reference number, or when it was approved by the Board of Railway Commissioners?

Mr. CANTLEY: Yes, I will give it to you later on. Now, Mr. Speaker, I want to thank you for your indulgence, and I want to add in conclusion—

Mr. DUNNING: Will my hon. friend please answer my question?

Mr. CANTLEY: I will give it to you later.

Mr. DUNNING: I would prefer that it be put on Hansard, because it is a serious thing to say that there is a secret freight rate in existence. Our law does not provide for the existence of secret freight rates; all freight rates must be public. I think my hon. friend should put the full information on Hansard in order that it may be in our possession.

Mr. CANTLEY: I cannot give you the railway tariff, but I can tell you that the traffic originates at Point Edward in Ontario and is carried from there to Hamilton, Ontario.

Mr. DUNNING: And is the rate approved by the Board of Railway Commissioners?

Mr. CANTLEY: So far as I know the Board of Railway Commissioners did not know anything about it until recently; no one else apparently knew anything about it except the railways and the parties enjoying that rate. It has been in existence for ten or twelve years perhaps rather more; it was originally made with the Grand Trunk Railway and has been continued until the present time. That is my information, and I think it is correct.

Mr. DUNNING: There is some illegal proceeding if that is being done, and I would like to get enough information to check it up.

Mr. CANTLEY: I quite agree with the minister, and I want to tell him further that while the opinion is prevalent in this House and throughout the country that Nova Scotia has enjoyed an exceptional freight rate on the Intercolonial railway, the fact is that Nova Scotia is discriminated against in regard to a score of rates in which the advantage is wholly with points largely west of Montreal as against the interests of the maritime provinces. I have a lot of information here and a mass of detail in my room with which I do not propose to trouble the House at this time, but with which I will deal at some future time, I will give the minister all the information in my possession in regard to that particular import coal and ore rate, because I know he will be interested in it. I give him credit for knowing nothing of what has been done in that regard, and so far as I know no one until recently knew about it except those directly interested. I learned of it a few weeks ago.

In conclusion, Mr. Speaker, I appeal to all the members of the House and ask that, irrespective of provincial affiliation, they view this question of maritime claims on broad and patriotic grounds. If national unity is to be maintained; if confederation is to endure, if in this great country we are to remain undivided it can only be by the exercise of mutual forbearance, mutual goodwill and mutual fair treatment as between all the provinces of this Dominion. Such sympathetic understanding, such goodwill, such equal justice and fair treatment, we of the maritimes now ask of all our fellow Canadians as represented by the members of this parliament here assembled.

Hon. G. B. JONES (Royal): Mr. Speaker, it is not my intention to detain the House for more than a few minutes, but I think it neces-

sary to make a brief statement with regard to the Duncan commission. It is my belief that the report of this commission has not been implemented to a very large degree. At the present time I am going to speak about one of the largest industries, the lumbering and wood products industry, of our province. The legislation so far brought down has not afforded any relief to this industry. I wish to read a telegram which I received, copies of which were sent to the Prime Minister, the Minister of National Defence, the Postmaster General and myself. This telegram, which is dated St. John, April 5, 1927, reads:

> New Brunswick Lumbermen's Association strongly protests against reduction to United States points being left out of Maritime Freight Rates bill. Lumber and wood products are the principal industry in this province and it was a realization of the importance of this industry to these provinces that prompted recommendations for modifications respecting international freight rates in Duncan commission report. Further united protest will be made if lumber and wood products are not given full benefit of recommendations made by Duncan commission.
>
> New Brunswick Lumbermen's Association,
> W. E. ANDERSON,
> Secretary.

The lumber and wood products industry constitutes more than 36 per cent of the entire trade of our province. The lumbermen's association appeared before the Duncan commission and made their recommendation, and that is why the commission reported in favour of this reduction of 20 per cent in the freight rates.

Mr. DUNNING: I must rise to a point of order. My hon. friend is again discussing a matter which has been debated and passed upon this session by this House in the form of the Maritime Freight Rates Act.

Mr. JONES: The bill which has passed this House is now before the Senate and there is no relief for the lumber industry of our province.

Mr. SPEAKER: I may say to the minister that the old principle applies—grievances before supply.

Mr. DUNNING: I understand the Speaker to rule that on a motion to go into supply a debate can be revived on any bill that has passed this House this session?

Mr. SPEAKER: There is nothing to prevent an hon. member from speaking on a question which is a dominant question to-day in the Dominion parliament. Even though the government has legislated on the basis of the Duncan report, this can not prevent the hon. member from expressing his grievance that some other matters dealt with in the report have not been adjusted.

Mr. DUNNING: The hon. member is debating a specific measure which has been enacted under the form of the Maritime Freight Rates Act and a matter which is expressly dealt with in the bill.

Mr. SPEAKER: I do not find in the speech of the hon. member anything which I could prevent him from expressing at this stage of the session. I think the hon. member spoke about one particular article, namely lumber.

Mr. JONES: I was saying that we had not received any benefit in connection with the recommendations made in the report of the Duncan commission.

I would like to refer briefly to the subsidy and particularly to the statement made by the Prime Minister when, in dealing with the subsidy question, he said that it was his intention to implement the report of the Duncan commission in the way of subsidies for this session only, but that the whole matter would be reviewed at the conference of provincial premiers which will take place this summer. That statement is all right providing that they carry out the recommendation of the Duncan commission that the minimum subsidies be $600,000 to New Brunswick; $875,000 to Nova Scotia; and $125,000 to Prince Edward Island.

Another matter to which I wish to refer is the Valley railway or the St. John and Quebec railway. The Duncan commission said that it was impossible for them to deal with that part of their work and they recommended that the government appoint a commission to make further investigations. I only hope that the government will carry out that part of the commission's report; that they will appoint a commission, and let us prove our claim that there was a distinct understanding that the St. John and Quebec railway was to be taken over, but that on account of conditions during the Great war that was found impossible.

Hon. W. A. BLACK (Halifax): I will take only two or three minutes of the time of the House in presenting to it the sentiment prevailing amongst all the maritime members with the exception of perhaps three. The great majority of them endorse this statement. It is unfortunate that the hon. member for Pictou (Mr. Cantley) could not see his way clear to fall in line with the rest of us, but he has presented his case and not ours to

this House. Most of the hon. members on this side of the House from the maritime provinces feel it desirable before the close of the session to make a brief statement as to their position regarding the action of the government in implementing some of the recommendations contained in the report of the Royal Commission on Maritime Claims. We are not disposed to minimize in any way the benefits that might accrue to the maritime provinces from the legislation that the government has introduced in connection with those recommendations, and we beg to express our appreciation of what has been done.

Further, we are not disposed to be unreasonable in insisting on immediate fulfilment of all the recommendations contained in the said report as we realize that some matters intimately affecting maritime claims are now before the Board of Railway Commissioners, and others before the Tariff Advisory Board, and we are prepared to wait a reasonable time for the findings of both these bodies, and the government's action thereon before expressing any approval or disapproval. It must be noted that there is a number of matters of very vital importance to the maritime provinces that have yet to be dealt with, and we hope that when these are ripe for decision, the government's action will be such as to justify the Prime Minister's somewhat premature declaration that all the recommendations have been virtually met. Among the matters yet to be dealt with we may mention such important matters as:

1. The restoration to Canadian ports of Canadian trade now passing through foreign ports.
2. The acquisition of certain railway lines in the maritime provinces.
3. The question of affording adequate protection to the steel and coal industry.
4. Additional ferry service between Prince Edward Island and the mainland, and the improvement in the railway and transportation service on the Island.
5. The enlargement of the scope and power of the railway commission.
6. Further consideration of the question of reduced freight rates, either by agreement or otherwise, to points not now covered by the present legislation.
7. Further attention to the great fishing industry of the maritime provinces, including curing, storage and transportation facilities to central markets.

In conclusion we beg to express our great satisfaction that the report of the royal commission has been such as to completely vindicate the stand taken by the maritime members at the last session of parliament. We cordially appreciate the attitude taken by hon. members of this House from the various provinces in their reception of the said report, and we close by expressing the hope that when all the recommendations are fully implemented, that the obvious handicaps under which our provinces have been labouring will be removed, and these provinces will share in the general prosperity of Canada, and enjoy to some extent the happiness that is their due.

I may add to what I have said that the great majority of us dissociate ourselves from what the hon. member for Pictou at this present time has placed before this House.

Mr. MURRAY MacLAREN (St. John-Albert): Mr. Speaker, the discussion which has just arisen necessitates a clear statement of my position on the important matter of maritime claims, especially as I cannot agree with the position taken by the hon. member for Pictou (Mr. Cantley). He has read a carefully prepared statement, but I think that the time is inopportune and the occasion does not call for much that was said. I fully agree with the statement just made by the hon. member for Halifax (Mr. Black) which represents the opinion of many of the maritime Conservatives.

So far as my own position is concerned, let me say that I adopted the attitude of supporting the government in its implementing of the recommendations of the Duncan report. I have consistently done so, and I shall continue to do so until I find reason to adopt another course. My view is that the government has placed the maritime claims—and mark you, the maritime claims is a broader question than the Duncan report—in the hands of three different organizations: the Duncan royal commission, the Board of Railway Commissioners, and the Advisory Tariff Board. We have heard from the Duncan commission. Certain of their recommendations have been implemented; others have not as yet been implemented. The railway commission have not yet reported on their portion of the inquiry into maritime claims, and let me remind the House that their inquiry was with reference to the extent to which Canadian trade which now passes through American ports could be recovered and directed through Canadian ports. That is a very big question, and the report of the railway commission upon it has not yet reached the government. It is true also, I believe, of the Advisory Tariff Board inquiry with reference to coal and steel. That being

the case, how can anyone come to a final judgment on how far and how completely the government will implement the maritime claims? They have gone a certain distance this session, and under all the circumstances I think a considerable distance.

As our statement says, we must be reasonable; we must give the government a reasonable time to complete its action. There are such questions, for instance, as the disposal of the maritime railways, the action to be taken regarding the recovery of our trade from American ports to our own ports, and the question of steel and coal, and other matters. A solution of all these questions can hardly be looked for, I submit, at this session of parliament. But we have them in mind, and we expect action to be taken on all these questions, but I maintain that the fair thing to do is to let our position be made plain, that we are willing to allow the government a reasonable time to implement their promises. We expect them to take action on all these matters, but in the meantime I propose to adopt what I believe is the proper attitude towards the government, and give them a reasonable opportunity of satisfying maritime claims.

Mr. R. K. SMITH (Cumberland): I want to say that I cannot at this time associate myself with the protest which has been uttered by the hon. member for Pictou (Mr. Cantley), nor will I associate myself with protests made by any other member on this side of the House at this time in connection with the government's attitude on maritime claims. I realize that all the recommendations of the Duncan report have not been implemented by the government at this session, but my attitude is that as the Prime Minister has not closed the door with respect to the matters not dealt with, I am willing to give the government a fair chance to implement the complete Duncan report later, and I believe that most people of the maritimes are of this opinion.

Motion agreed to, and the House went into committee of supply, Mr. Johnston in the chair.

SUPPLY

DEPARTMENT OF AGRICULTURE

Agriculture—live stock, including grants to exhibitions, feeder shows, etc., $1,280,000.

Hon. W. R. MOTHERWELL (Minister of Agriculture): As some hon. members would like to leave before this evening, I think I will take the three major votes first, Nos. 44, 45 and possibly 46. The item No. 44 has been under discussion intermittently all session, and I presume something will be said with regard to it. This vote includes grants for exhibitions, which account for nearly $300,000, leaving a little less than $1,000,000 for live stock.

Mr. EDWARDS (Frontenac): What exhibitions are benefitting by this grant?

Mr. MOTHERWELL: This vote covers both summer and winter fairs throughout Canada. A certain number of summer fairs are allocated to each province. Starting on the Pacific, the four western provinces have two summer fairs allotted to them, for which they receive $5,000 each. The two older provinces, Ontario and Quebec, have three summer fairs allotted to them and they receive the same amount. The three maritime provinces are each allotted one fair, and they receive the same grant. I think that constitutes about seventeen of what we call 'A" fairs, all capable of drawing as high as $5,000 each. Then there are about twenty-one "B" fairs, a grade lower than the others. They are not allocated according to provinces and seem to have no particular plans in connection with their establishment—no particular getting-on place or no particular getting-off place. These get a flat rate of $1,500 each. In addition to that there are about eleven or twelve winter fairs extending from Amherst on the east to Vancouver on the west, including Ottawa, Toronto, Chatham and London, in Ontario, and Valleyfield, Three Rivers and Ste. Scholastique in Quebec, Amherst representing the three maritime provinces. In the four western provinces, Manitoba has one, Saskatchewan and Alberta have two each, and British Columbia one.

Mr. COOTE: Would the minister give us his opinion as to how a grant to one of these big fairs is any encouragement to the live stock industry?

Mr. MOTHERWELL: Does my hon. friend mean the larger fairs, the "A" fairs, Toronto or Ottawa, or any of them?

Mr. COOTE: I am referring to class "A" fairs. Is the grant made direct to the society?

Mr. MOTHERWELL: Direct to the association. It is generally understood that where live stock growers assemble their products in competition with each other it always stimulates a desire for better and greater production, and it is a means of advertising, without which the stock men usually would be out of luck. As a matter of fact it usually costs the stock man about as much to pay his way to the fair as the prizes amount to. Then they have the advertising, which means that there is a balance coming to them. The

people get to know about their class of stock, and a friendly competition is usually such a stimulant that it develops stock raising to a great extent. This applies to all the exhibitions whether large or small. The most primitive or youngest exhibition in a little village of two or three hundred inhabitants, representing a large rural district, will perform in a small measure the same object for the people locally. But it is not so noticable because they are not quite in the same class as the breeders of pure bred live stock.

Mr. COOTE: Why do you not spend the grant by giving prizes for live stock?

Mr. MOTHERWELL: The major portion of these grants, in fact all of them, were given on the basis of the live stock exhibit. That is specified. My hon. friend knows that it was a perambulating exhibition from one province to another. It never went to Prince Edward Island, but they got a special grant instead. Just before the war this perambulating Dominion fair was held at Victoria. Subsequently it was divided into interprovincial fairs, these developed into "A" and "B" fairs, and these again into winter fairs. I have been endeavouring for some time to find a getting-off place so as to withdraw from this expenditure.

Mr. MacLAREN: Mr. Chairman, I had an opportunity of speaking to the minister not long ago on the subject of coöperative marketing, and I was pleased to find that he shared my enthusiasm. I call coöperative marketing the business end of farming. I believe if we had to choose between this form of marketing and fairs we would favour the former as conferring the greater advantage on farmers. In the Department of Agriculture, and perhaps in the Department of Trade and Commerce, there should be officials who are specialists in this subject, for it is no easy matter for a number of farmers to take up coöperative marketing. The average farmer may not know exactly what to produce, and what he does produce he sometimes finds difficulty in disposing of at remunerative prices. This is where the coöperative marketing specialist will be useful. I hope the minister will take steps along the lines I have suggested. I believe that if such an official explained to farmers in different parts of the country the practical advantages of up-to-date coöperative marketing it would add very materially to their welfare.

Mr. MOTHERWELL: Mr. Chairman, coöperative marketing has taken a decided grip not only of the people of Canada but of the whole continent. I think nothing gave such a stimulus to coöperative marketing as the difficulties which faced our farmers after the war. Twenty years ago it became an objective on the prairies, where we were having very hard times, and we adopted it as a measure of necessity. The great wheat pools on the prairies are farmers' organizations, and to-day they are conducted without any governmental aid. This applies also to Ontario. But it seems to me, Mr. Chairman, that the time is ripe for the federal authority to become active. I have taken the ground recently that we might very well drop off some of our provincial activities and turn our attention to coöperative marketing. As a matter of fact, while we have not a distinct branch devoted to this work, we have been engaged in these activities for some time and have encouraged the coöperative marketing of poultry, eggs, sheep and swine. As soon as I knew the nature of the Duncan fruit report of two years ago I took the responsibility of calling the fruit men from all over the Dominion to a conference in this city. We paid their expenses and discussed with them the best methods of national salesmanship in view of the selling methods that the Duncan report had condemned. If my hon. friend has a first-class man available for this work of coöperative marketing I am in the field for one if I can get him past the Civil Service Commission.

Mr. MacLAREN: Are you referring to me?

Mr. MOTHERWELL: Yes. There is another limitation. I have branches of my department in about eighteen buildings scattered throughout the city and across in Hull as well as on the experimental farm, and I rather dread the thought of establishing one more branch in one more building. We have this year in the estimates half a million dollars for a departmental building. The hon. member for St. John-Albert and all others who believe in coöperative marketing will facilitate the establishment of a branch devoted to the subject if they will help me secure a wing of this prospective building so I may have my staff within immediate call to confer on any particular question. Until that time arrives I hesitate to appoint any more branch heads.

Mr. COOTE: I suggest to the minister that he might hasten the time when he will have completed the new office of the Department of Agriculture. By eliminating grants to class "A" fairs he would have a good deal of money to secure the building he needs and he would use the rest of the grant to maintain a bureau of coöperative marketing. Such a

bureau was established in the United States two years ago and I remember seeing in the Congressional Record the statement that they had appropriated $200,000 per annum as a start. The minister might very well reduce the vote of $200,000 to these big fairs, or cut it out and use the money for the creation of a bureau of coöperative marketing. It may be that the grant to these fairs does some good, but I believe the fairs would run just the same whether they got the grant or not. The minister since coming into office has adopted the policy of cutting down the grants particularly to the small fairs, and if the small fairs can get along without this assistance the larger ones surely ought to be able to do so. The larger fairs are held in places where there is a large population. The gate receipts are good and the fairs can carry on without a grant. I labour this point now because I think it would be of much more assistance to the live stock industry if the minister were to establish a bureau of coöperative marketing such as I suggest, than continuing grants to fairs. I want to compliment the minister for the sympathy he has shown towards coöperative marketing, as evidenced in the live stock bill brought down the other day. He tried to meet the wishes of the coöperators in that regard and I wish to thank him for what he has done. I hope however he will go further and set up a bureau of coöperative marketing and, instead of asking for more money from parliament, take from the grants to the class "A" fairs whatever he needs for the purpose. The minister might tell us what is done with the million dollars that are voted for live stock. The farmers are anxious to know to what use the money is put. The minister proposes to cut off the money he has been spending in furnishing pure bred sires to cattlemen. He has been cutting down the grants to the smaller fairs and still he is asking for the same amount he has been voted before. What use is made of the grant under live stock?

Mr. MOTHERWELL: I have been trying to eliminate the votes to fairs and I hope to have in my hon. friend a champion in this regard.

Mr. COOTE: You will so far as the class "A" fairs are concerned, anyway.

Mr. MOTHERWELL: The live stock vote is divided as follows: For the horse division there is $149,000. My hon. friend is familiar with the horse club policy inaugurated in 1913 or 1914 throughout Canada. That policy, I think, has done a lot of good. I do not know how long it will be continued but I may observe that there has been no agitation for its abolition. To the cattle division there is devoted $260,000. There has been some discussion in the House off and on with regard to some alteration in policy in that direction, but the vote has not been reduced inasmuch as we have 1,400 bulls throughout Canada at the present time, and the cost of upkeep is considerable. The cost of service therefore, during the next couple of years, will be practically what it has been all along. For sheep and swine we are asking $230,000, and very much the same form of assistance is given in this regard. It has been a question with me—and I frankly admit it—how far we should go in promoting poultry, sheep and swine production in the various provinces. I have had a strenuous time, as my hon. friend realizes, endeavouring to get the provinces to take over some of the work in this field, but there is still a good deal left to be done in the maritime provinces. We have felt rather sympathetic towards them. No one loved them, and I wanted to let them know that at any rate the Department of Agriculture did. But we have been engaging in activities that are decidedly provincial and I think we shall continue for some time yet to do so. When we have had so much difficulty in weaning the rest of Canada from some of these services hon. gentlemen will realize what a whale of a time we shall have in the maritime provinces. I do not want to make life miserable for myself by eliminating too many of these activities all at once. It is all good work and whoever initiated it deserves our commendation. For the administration of the various stockyards, of which there are eight or ten in Canada, we are spending $50,000, and for exhibitions and judges the amount allotted is $200,000. The latter is exclusive of the winter fair at Toronto, which receives $35,000 per annum. We do not set up exhibits in regular places, but at the semi-provincial fairs and the smaller fairs throughout the country we do so whenever requested. They are anxious in some of these places to have the experimental farm set up an exhibit because it helps to advertise the products of Canada while at the same time it makes for the success of the exhibition. The national live stock movement, as the committee understands, embraces a vast number of live stock associations. The organization comprises live stock institutes from horses down to foxes, with pedigrees that are recorded in the National Live Stock Association. Mr. Brant has charge of this section.

Mr. KENNEDY: How nearly do the fees in connection with live stock pay for the work?

Mr. MOTHERWELL: This is a straight grant. The officer referred to is not in the department. The money helps the association to carry on its work.

Mr. McMILLAN: What is the amount of the grant?

Mr. MOTHERWELL: $27,000.

Mr. SPENCER: With regard to the cost of the administration of stock yards, the $50,000 is rather high, is it not?

Mr. MOTHERWELL: There are several yards—two in Saskatchewan, two in Alberta, one in Manitoba, one in Toronto and one in Montreal. We have to keep a staff of at least three, and of course the cost in connection therewith comes out of the amount. For printing and stationery the amount asked is $43,000; general, $15,000; and advertising $25,000. We have not done very much in the matter of advertising for the reason that the vote would not permit anything extensive. The total of the amounts thus expended is $1,280,000.

Mr. ADSHEAD: The minister said his department loved the maritime provinces. How is it that while agriculture is recognized to be the best industry in that part of Canada the Duncan report contains no recommendation in its behalf?

Mr. MOTHERWELL: I fancy Sir Andrew Duncan thought I was doing all that was good for them at the present time.

Mr. COOTE: Does the grading of live stock come under this vote?

Mr. MOTHERWELL: Yes.

Mr. COOTE: How much is used for grading?

Mr. MOTHERWELL: There is only one class of live stock in the world graded on the hoof, and that is hogs. Sheep and swine together take up $230,000, and for grading purposes we have a staff of twenty-two, established three years ago. I will give, later on, information in that regard.

Mr. McMILLAN: Is there any change in the grading system?

Mr. MOTHERWELL: There was very nearly a pronounced change about a month ago, but I took the responsibility for calling a conference of those who constituted the original gathering in the fall of 1921 which met to formulate a policy in connection with the building up of a better bacon trade in Canada based on a sound bacon hog. That conference was held in 1921 and at it there were representatives of the departments of agriculture of the nine provinces. I do not know whether all the departments were represented, but at any rate they were invited. Invitations were extended also to the railway companies, the swine breeders' associations and the live stock unions. Since that time two or three organizations have come into existence, and they of course will add to the representation at the forthcoming conference. The conference is to be held towards the close of next week to ascertain the next step to be taken in the matter of developing the bacon trade of Canada in the light of present conditions.

Mr. McMILLAN: It is to be held in Ottawa?

Mr. MOTHERWELL: Yes, the packers have taken the ground that they cannot afford to pay the 10 per cent premium. They have been losing money, they claim, on that account and also because of changed conditions in Europe, but I persuaded them not to depart from the undertaking of 1921, at least until all those who had entered into that arrangement had had an opportunity of talking the matter over.

Mr. CAYLEY: What advertising is being done now?

Mr. MOTHERWELL: In the year just passed we spent about $10,000 in advertising in the farm papers, and occasionally in others. We have done some advertising also in the old country papers.

Mr. TOLMIE: I do not agree with my hon. friend (Mr. Coote) in his proposal to wipe out the grants to fairs. I have been brought up, I might almost say, in the live stock industry in Canada, and having observed the development of these exhibitions I know what work they have done towards the improvement of our cattle business. I do not think we have yet reached the point where we can afford seriously to cramp the work of these exhibitions. At the same time I fully realize the importance of assisting coöperative marketing wherever we possibly can, because I am a firm believer in the fact that the farmer is certainly entitled to whatever he earns, whether through live stock or the cultivation of the soil. I want to see the farmer assisted in every possible way, not only through coöperative marketing but through every other means that will bring to

him the greatest return for what he is doing. I would like to see the cost of shipping his exportable products to tide-water reduced to the lowest possible figure as well.

Now I propose to take up a few minutes of the time of the House in looking over the cattle situation as it is to-day and as it affects the live stock producer of Canada. We in Canada have three markets, the British market, the United States market and our home market; we export about 15 per cent of all the beef cattle produced in this country, which means that we must consume about 85 per cent of our production at home. The British market has been a great help to us, since it has created a competitive market for our products and has a stiffening effect upon our prices at home. This market was good from the removal of the embargo until 1926, increasing each year until that period, when it fell off to some extent. Our exports to the British market in 1925 were 110,000 head, but in 1926 this number was reduced to some 70,000, which is explained by several causes. First there was a severe coal strike, which reduced their consuming power; foot and mouth disease was also rife in the country, making it dangerous to handle cattle. There was a depression of business as a result of the strike and also a meat war in the Argentine between British and American packing interests, with the result that a vast amount of cheap Argentine beef was thrown on the market. This all had its effect on the British market and accounted for the falling off in our exports during 1926. However, I think prospects are better for the future, remembering that the freight rate has now been reduced to $15 per head, and that in addition there is a general improvement in the mother country. I had the pleasure the other day of meeting a gentleman just returned from the old country, a man in business on the Pacific coast, and I was very glad to hear from him that a feeling of optimism was being developed in England that the Britishers are gradually regaining those markets which they lost some time ago, and that they expect better business in the near future. This should assist to a great extent in providing a better market for our Canadian beef producers.

The market in the United States, of course, is one with which we would naturally fall in line if it were not for the barrier raised against us. In 1920 I think we reached the peak of our exportation to the United States, when we shipped something like 520,000 head of cattle. The emergency tariff came into effect in 1921, followed by the Fordney tariff of 1926, with the result that our shipments to the United States have been very much reduced. Last year we exported to that country only 90,000 head of cattle, and the year before we exported about 85,000 head.

Mr. McMILLAN: I think the figure is 290,000 head.

Mr. TOLMIE: Exported to the United States last year?

Mr. McMILLAN: Yes, for the year ending March 31, 1926.

Mr. TOLMIE: No. In 1925 we exported to the United States 86,748 head, and in 1926 90,000; those are the figures I have. That United States market takes about 65 per cent of our feeder cattle, that is, cattle which are taken to the corn belt and fattened up for the market at a later time of the year, and I think we can be proud of the fact that on the ranges of western Canada we produce a very high type of feeder, perhaps as good as can be produced in the world. The market in the United States would be very suitable to us on account of its close proximity, but because of the tariff we are not able to take advantage of it to the extent we would wish.

Perhaps a brief glance at the cattle situation in the United States may be of interest. The cattle population of the United States before the war was about 58,000,000 head, in 1921 this had risen to 67,184,000 head, and in 1922 to 67,264,000, while in 1926 the figure receded again to about 58,000,000. In 1914 the human population of the United States was 97,927 516; in 1925 that had risen to 115,378,094, or an increase of 9 per cent in eleven years. The beef consumption per capita in the United States is 61.1 pounds, and in Canada 74.9 pounds. The marketing of cattle in the United States has not shown any increase from 1919 to 1925; in fact there has been something of a falling off. In 1919 the cattle marketed amounted to 24,623,000, while in 1925 that figure had fallen to 24,067,000. About 40 per cent of that includes dairy cattle, stockers, feeders, and calves, and so we must deduct that from the other leaving about 14,978,920 head of cattle in the United States for slaughter purposes. Those cattle average about 506.16 pounds per carcass, so that the total beef production of the United States is about 7,581,730,147 pounds. The yearly consumption amounts to 7,049,601,543 pounds, so that there is a surplus of 532,128,604 pounds that must find a market somewhere oustide of the United States, or enough to support 8,723,255 of an increased population in that country. The average annual increase in popu-

lation is 1,586,416, so that unless the United States is able to secure new sources of supply of cattle, the gradual increase in population should get rid of that surplus in a period of about six years, and then the United States would cease to be an exporting country in regard to beef cattle. I do not say it is impossible for them to increase their production of beef, but no doubt that beef will be produced at a higher cost, because in the United States the ranching country where cheap beef is produced was about gone some time ago.

I do not think the 90,000 head of cattle that we sent to the United States last year seriously interferes with the market in that country because it is so small in proportion to the large volume of beef that is handled. As an indication that this might be true, let me say that the secretary of agriculture in his report of 1925 refers to the splendid, beneficial effects of the tariff as affecting dairy produce, fruit, wheat, sheep, flax, sugar beet and sugar cane, but he makes no reference whatever to its advantage in connection with the beef industry.

We come now to our home market, the most important one of all as I pointed out a while ago, using about 85 per cent of our products. In 1926 about a million head of cattle went through our live stock yards. Probably half a million more are slaughtered in country places, on farms and so forth. We find however that a tremendous raft of scrubs go through our live stock yards; more than 50 per cent of the animals passing through our yards are graded as common and look as though they were raised in some cases for speed and trained a little fine at that. There is a difference of about $30 a head between grades good and common, showing what a tremendous loss our farmers are suffering as a result of, first, losing in the weight of the animal and, second, on account of its poor quality having the price lowered again. Less than six per cent of our cattle as they pass through our yards are of sufficiently good quality to compete with the 2,000,000 Argentine cattle that are exported every year. Only about 10 or 15 per cent of our cattle going through our yards are of sufficiently high quality to obtain the highest average price. Therefore this is a clean-cut indication that 85 per cent of our cattle are badly in need of improvement not only in breeding but in more liberal feeding.

Mr. McGIBBON: How do our cattle compare in Great Britain with cattle from the Argentine?

Mr. TOLMIE: As regards the quality of Argentine cattle, I never before saw such uniform beef as I saw in the Smithfield market from the Argentine. The beef that the British market has taken from the Argentine is on the average considerably ahead of ours.

What do we find in regard to our beef as it goes on the market? Consumers in Canada have very little knowledge regarding the quality of meat. We eat more beef than we do of all other meats in Canada and we would eat a great deal more if we were only sure of the quality. We find that in Canada we buy tender steaks instead of tasty steaks. That is why we find on many of our tables what I call a two-way steak, probably secured from an animal that is poor, a steak that is taken from a tenderloin. I call it a two-way steak because in addition to being tender it is also tasteless. The cheaper cuts are usually bought by the working people, and in this regard again no knowledge is shown of the improved quality between beef from the finished animal and beef from one of the poorer kind. We find too that much of our beef going on the market is tough and unpalatable, and after living around our boarding houses in this country for a number of years since I entered politics about ten years ago, I have come to the conclusion that we in Canada are a tough, strong-jawed people. What does this cheap trash do? It takes up the goodly part of the market that would be supplied by the better quality. The man who buys, let us say, a roast for his Sunday dinner, finds that roast is of poor quality, and the result is that he simply gives up the eating of beef for a week or ten days and buys mutton or pork or chicken. Herbivorous people became numerous during the war and immediately after; a campaign was started to encourage the eating of more salads and fruits, and this was carried to such an extent that it reduced the consumption of beef by some millions of pounds on this continent. In fact some of these people pushed the matter so far that they became almost wholly herbivorous and would have become cud-chewers in another generation or two. This might have reached the stage where they would have simply turned their families out on the lawn in the summertime and they would rustle for themselves.

What are we going to do to meet the situation? I was much interested in the Live Stock Act which was brought up the other day for amendment in which there was a proposal for beef grading. This would be of great advantage; but we must carry on a campaign of education and teach our consumers to buy the better cuts, so that we

may in that way bring back the higher prices to the man who takes the trouble and goes to the expense of producing an animal of high quality. The great difficulty is this, that while the United States, Canada and some other countries are much interested in beef grading, they have not yet evolved a plan that will protect the consumer. Under ordinary conditions a man might buy a second class or No. 2 cow, cut her up into steaks, and I would defy anybody buying those steaks, in many cases to tell the difference between them and a steak from a No. 1 steer. The result is that there must be some means of educating the people and of clearly designating the difference between No. 1 and No. 2 beef.

That is the problem which is being faced in the United States now where they have several committees created which are being backed up with a good deal of money. These committees are carrying on a careful investigation, and in a year or two we shall be in a good position to benefit from what they have learned and to avoid the mistakes which they are bound to make in their experiments. I sincerely hope some plan will be evolved to mark permanently that beef as No. 1 quality so that the marks will be found in the steaks and roasts as they are cut off.

It is estimated that our farmers, on account of the production of poor beef, are losing at least $10,000,000 a year on their animals as they market them. I pointed out a few minutes ago that the average weight of a carcass in the United States is about 506 pounds. I remember very well going through an abattoir in Toronto a few years ago where they were putting about 700 head of cattle across the floor on that particular day. I was astounded to find that those carcasses weighed from about 275 to 320 pounds, indicating that they were cheap, common trash. I do not say that all our cattle are like that, but what I saw on that particular day impressed me most forcibly with the importance of improving the quality of our cattle. That indicates, too, that this problem is largely in the hands of the producer, and that he must coöperate with the government in the improvement of our beef.

I have shown the great importance of the quality of our live stock. It must be remembered that we have no less than $7,000,000,000 invested in this great industry of agriculture in Canada, and if we can bring about even a small proportion of improvement in that industry, you can readily see what a great benefit that would be to the general business of the country. Under these conditions it is most surprising to me that our Minister of Agriculture and the government have seen fit to cancel the pure-bred sire policy which was introduced in this country a few years ago, in 1913, by the Hon. Mr. Burrell, then Minister of Agriculture. That policy has rendered a most excellent service to those people who are settled in the newer parts of the country, settlers, say, in northern Ontario, in New Brunswick, or in the northern part of British Columbia, men who under ordinary circumstances would never have enough money in five years to buy a pure-bred sire. It was in these districts that we formed little clubs, of five or ten farmers, and sent to them a pure-bred sire. We would loan it to them for so many years, would take it to the station, pay the freight on it, and all they had to do was to take him home and give him enough to eat. After a period of five years we would find, in the first place, that the cattle in that district were very much improved, and in the second place, those ten farmers would have been educated as to the great value of the use of pure-bred stock. So the policy was rendering a splendid service to the country, and I was very much surprised to find that this year the Minister of Agriculture is proposing to eliminate entirely that policy which has been of such benefit to the cattle men of the country. I know that he is a man of high intelligence, a gentleman with a good knowledge of the live stock business, and that he appreciates the value of this policy, and why he should be eliminating it I cannot quite understand. Perhaps he has had some of the experience I had during the time I had the honour of occupying that position, when I found the greatest possible difficulty in trying to drive into the heads of the lawyers and the other men who made up the remainder of the cabinet the value of agriculture in Canada. It is strange, too, that just at this moment when the minister is proposing to eliminate this pure-bred sire policy in Canada, our friends in Ireland, our greatest competitors in the British market so far as cattle is concerned, are introducing that very policy and are going to put it into general effect.

There is another point I cannot quite understand. We will all recognize the fact that the winter fairs in this country were created for the purpose of improving the commercial live stock of the country. I remember very well when the Royal Winter Fair was started at Toronto. As minister, I had the pleasure and the honour of assisting in establishing that fair, and Toronto was selected as the most suitable place to hold the fair because it is one of the best exhibition cities in the world. The Canadian National Exhibition

has rendered a splendid service to this country in training our people to like exhibitions, and the result is that when an exhibition is staged in Toronto it is largely patronized by the people of that great city. The object of that winter fair, I remember very well, was to improve the quality of the commercial live stock, because we had watched the splendid results attained at the great International Live Stock Show in Chicago. Clearly that was the object in establishing the Royal Winter Fair. Now during this very session when the minister is proposing to eliminate the pure-bred sire policy, something like $35,000 a year is being offered to the Royal Winter Fair for a period of twenty years. This is simply robbing Peter to pay Paul, and in this case Peter needs the money worse than Paul does.

Before taking my seat, I want to say a word about the World's Poultry Congress which is to be held in the city of Ottawa during the coming summer. This congress is one of very great importance. It is a world show, and it is being held on this continent for the first time. There will be representatives here from all over the world, and I sincerely trust that the congress will receive the patronage of the Canadian people. The government, I understand, has dealt liberally with it, and a very excellent show should be staged. Let me point this out: We shall have here on that occasion representatives from all over the world interested in poultry and, no doubt, in every class of live stock, and I hope that an effort will be made to have these delegates travel clear across this country from the Atlantic to the Pacific, going by one route and returning by another, so that they will have an opportunity of seeing what a wonderful country this is and what great opportunities it offers for settlement. Some people think that chickens do not amount to very much. I would just like to point out what one little three-pound hen has done for the province of British Columbia. This was a hen bred at the University of British Columbia, and entered at the egg-laying contest at Agassiz farm last year, the Dominion farm, so she was under Dominion supervision. This hen produced in 365 days 351 eggs. Hon. gentlemen will realize what a wonderful record that was when I say that the average biddy in Canada produces only 86 eggs per year. They have refused over $1,000 cash for this hen. Her stock is already booked for sale in 1927 to the amount of $1,275, and they have other inquiries pending to the amount of $1,000 more. It required two stenographers to answer the correspondence with regard to this particular hen for some length of time after this record was made and had had time to reach out to different parts of the world. Inquiries came from Africa, from all parts of Europe, Asia, the United States and other parts of the world. Now if that one hen has done so much to advertise the province of British Columbia, hon. gentlemen can get some idea of what this wonderful poultry congress can do for Canada if only it is handled right.

Mr. SMITH (Cumberland): Would the minister tell the committee what the annual grant for the Maritime Winter Fair and Live Stock Show held at Amherst, Nova Scotia, amounts to, that is, what amount is to be allotted this year, and also the amount allotted last year? The reason I ask this question is that last year there was a provincial exhibition held at Amherst as well as the Maritime Winter Fair and Live Stock Show, and I would like to know if the minister would feel inclined to grant the same amount this year to the Winter Fair and Live Stock Show as was granted to the two exhibitions last year, as this year I am told only one show is to be held; they are not having the provincial exhibition.

Mr. MOTHERWELL: My hon. friend, I presume, knows the story of the Amherst fair, of how they struggled along for some time with old and inadequate buildings. Inasmuch as it is the only winter fair, I think, in the maritimes, it was felt that it was really a rallying point for the live stock industry of the three maritime provinces, and consequently we are giving them a special grant. These grants, of course, are very dangerous things to start, because you never know where you are going to get off at, but, and this is in line with the remarks I made a few moments ago, we did not know what was going to be done in connection with the Duncan report, and so we adopted a policy of reasonable generosity towards the maritimes so far as my department is concerned, and here is one of the evidences of it. This winter fair at Amherst is getting $7,000 a year; there is no specified period during which the grant will be continued, but that is $2,000 more than the ordinary grant given to the regular summer fair.

Mr. SMITH (Cumberland): I am glad indeed to know that the minister is giving special consideration to this important show. I may say that it has been in operation for twenty-seven years, except for a period during the war, and it certainly has made great strides in the standardization and scientific breeding and raising of fat cattle for commercial purposes in the maritime provinces. The attitude of

the government in increasing the amount for the maritime winter fair will, I can assure the minister, be deeply appreciated.

Mr. MOTHERWELL: I thought, from memory, it was $7,000. My deputy tells me it is $8,000—one better. But there is something else that we must bear in mind. Before the war Halifax had a provincial exhibition, and if they ever come back with proper buildings—and I understand they have been living in expectation of that for the last five or six years—then we will have to consider the question as to which of these two will have the federal grant for Nova Scotia. We may be able to come to some arrangement between them whereby the fair will be alternated, the same as it is between St. John and Fredericton, but as the matter stands at present, only one fair goes to the maritime provinces and sometimes there are two equal claimants. However, it is quite possible that when Halifax comes back to her former position Amherst will claim to have a vested right and will not want to give it up, and we may have to alternate between the two. I simply mention that to show that the fair at Amherst is not a fixture. Halifax is showing evidence of coming back to life after the great disaster during the war, and when that city does come back there will be a difficult question to solve.

Mr. MAYBEE: Does this vote include a grant to the Cobourg horse show, and if so what is the amount?

Mr. MOTHERWELL: That was one of the little shows that got the better of somebody's good-nature at some time, and I am going to try to get rid of it. I have nothing against the Cobourg horse show, but we have got to stop somewhere. I think the grant was given up to two years ago. Was there an exhibition last year?

Mr. MAYBEE: Yes.

Mr. MOTHERWELL: I thought it was dropped. At any rate that was a straight horse show, a fancy show and a very nice show, but I am getting away rather from the principle of giving grants to every place that has a show of some kind or other. I wish to make the exhibition grants federal in nature and stop some of them, and I am afraid we will have to discontinue that grant.

Mr. MAYBEE: Does the minister think the encouraging of horse breeding is commendable, as well as the breeding of other live stock?

Mr. MOTHERWELL: Oh, yes, it is. It was a small grant of $1,000, but we are giving substantial grants to horse breeding through the grants to winter fairs practically from one end of the country to the other. These small shows are springing up all over the country, and we will have the same trouble in connection with all of them. There will not be a small fair in the Dominion that will not sooner or later claim a grant and unless I draw the line of demarcation somewhere between where the Dominion will stop and the province begin there will be no end of requests.

Mr. FANSHER (Last Mountain): I was interested in the remarks made by the hon. member for Victoria, B.C. (Mr. Tolmie) when he painted the picture of improved marketing conditions and improved demands for our beef cattle in the old country. I was interested in his resumé of conditions in the United States. Further in his remarks he made reference to the quality of our beef cattle in Canada and I want to deal with that point for a few moments. For fourteen years we have had a policy in Canada, wisely adopted I think, and it has been improved during the years, of loaning pure bred sires to clubs, but for some reason or other the minister has seen fit very recently to discontinue that policy. I think possibly that is of more vital importance to the cattle industry of Canada than anything else that can be done, and I regret very much that the discontinuance of this policy has been decided upon. Now that we are, on the eve of prosperity in the agricultural line, and our products are reaching markets further and further every year, with the possibility of the United States market opening up to us in the near future, I would ask the minister seriously to reconsider his decision on the sire policy that has been discontinued. We have $15,000,000 for defence, and we have a paltry $6,000,000 for agriculture. We have half a million in the estimates for house and grounds at Washington, and we have many other items in the estimates to which I could draw the attention of this House that seem to be out of all proportion to the grant which is given to the great basic industry of this country. Nobody will deny that. We hear it every day. I think the hon. member for Victoria, B.C., was quite correct when he said that it was very hard to drive into the heads of professional men the value of agriculture. If we are going to improve the live stock in this country in any great volume we must get back to the man who is hesitating as to whether he will go into beef cattle or into the scrub class. The policy adopted so many years ago has done

more to improve the quality of live stock than all the class A and class B fairs in the country. Those are more or less superficial in their nature. I do not condemn them in any way. That is where the men with fancy cattle meet and contest for prizes. But the man who produces beef which goes into the foreign market is the man to whom the hon. member for Victoria made reference. I ask the minister again to think seriously before he decides definitely to discontinue the policy. He says he has a staff on hand, is retaining 1,400 animals, and it will take very little more to continue that policy. I can assure my hon. friend, from first-hand knowledge, especially in western Canada, that that policy is reaping more profit for the beef industry of the country than any other expenditure that has been made by us.

Mr. MOTHERWELL: I intended to make a reply to the hon. member for Victoria, but he is not in the chamber. However, as the hon. member for Last Mountain referred to the same matter, I will make a statement with regard to it. I refer to the abandonment of the bull loaning policy. I do not say that that policy has not done good work, but I think we can introduce something that will do better work. Anything you can get for nothing is never appreciated. Without going into the weaknesses of the system, I am quite free in my admission of the good work that has been done and the improvement of the live stock industry under it. Nevertheless I think we can evolve a better policy.

I had my first experience of this system in Saskatchewan in 1908, when the provincial government, of which I was a member, introduced the policy of the sale of live stock, both male and female, to settlers on easy cash terms. That policy was inaugurated following two exceedingly bad years, 1907 and 1908, for the live stock industry, and it has continued to this day. What Saskatchewan has done any other province can do. Let me pay this tribute to the eastern provinces. Over fifty years ago the provinces of Ontario, Quebec and at least two of the maritimes assisted in the distribution of bulls through the agricultural societies, and they are still continuing that policy. Consequently only a small number of the provinces have been relying entirely on Dominion assistance in this respect. So far as Manitoba and Saskatchewan are concerned, we have already made tentative arrangements, particularly with Saskatchewan. Later on I expect to see the represenative of the Manitoba government when possibly we shall be able to complete arrangements with him. The Saskatchewan government are purchasing on an average about forty bulls a year at the regular bull sales and selling them on easy terms. I had an opportunity of meeting Mr. Hamilton recently and concluded with him a tentative arrangement under which the federal government will bear half the loss up to 15 per cent incurred by the provincial authorities in the distribution of these male animals.

I freely admit that good work has been done, but there are two sides to this question. I believe we can do better work through the purchase and sale of animals in the manner I have described. Even in poverty-stricken Russia the government sold to the peasants on long-term payments the horses which they purchased from Canada. I am receiving numerous communications like the following, which is from a gentleman named James Moffat:

> I am in perfect sympathy with your policy, and hope you carry it out. It is time people were trying to walk alone without being "pap fed".

That is frank, but it is the situation. Under the loan policy we have great difficulty in keeping the animals in condition, and sometimes it takes fifty dollars to put them in good condition after they have been on circuit and the club has decided to discontinue operations. Let me put on Hansard a letter, a copy of which I have supplied to several members, indicating the reason why we adopted this new policy:

OTTAWA, March 8, 1927.

DEAR SIR:

Your representations, relative to the federal bull loaning policy, have been duly noted.

Replying, I may say that while it is freely admitted by all that a great deal of good has come out of this method of encouraging the improvement of Canadian live stock, still, I think it must be conceded that a free distribution of anything such as this, is usually unsound as a permanent policy, it being much better to adopt the wiser program of helping those who help themselves. Besides, it is generally admitted, I think, that any agricultural activity so directly related to production as this is, naturally devolves upon the provinces to take care of it, if they so desire. As an evidence that this has been so looked upon, by at least some of the provinces, might I draw your attention to the fact that in 1908 the Saskatchewan Department of Agriculture, over which I had the honour to preside, inaugurated a policy of selling cattle to pioneer settlers who were unable to finance the undertaking themselves, on small, initial cash payments and credit term subsequent payments, which is yet in vogue.

Shortly afterwards, the adjoining provinces of Alberta and Manitoba adopted somewhat similar policies, all indicating that provinces whose conditions seemed to warrant such an

enterprise were prepared to take it on as a provincial duty. Indeed, the provinces of Manitoba and Saskatchewan still operate an annual live stock train, in which they feature very prominently the advantages of using pure-bred bulls and pure-bred males generally. Carlots of stock and suitable lecturers accompany this train, making the sales as they travel from point to point.

This is educational work of a high order with the sales part conducted on a purely business basis. Since, therefore, education has always been recognized as peculiarly the prerogative of the province, what justification is there for the federal government butting into such essentially educational work as these provincial train lecturers engage in, and worse still conducting the commercial end on a gift basis, with all its obvious weaknesses, instead of on a business basis, with all its obvious strength? In addition to this, overlapping of the federal and provincial work ensues, which should be reduced to the lowest possible minimum.

Further, if the western provinces, as well as New Brunswick, Nova Scotia and Quebec (the last three through the medium of agricultural societies) can engage in this worthy enterprise when necessary, it would appear quite reasonable to expect that the remaining provinces could do likewise. It is not, however, very likely that such remaining provinces will take it up as a new venture so long as the federal continues in this provincial field.

I find also in actual practice that it is very difficult to get proper amounts allocated to federal agriculture in the annual estimates so long as considerable portions of such estimates are devoted to what are admittedly provincial activities directly associated with production. For many years this department has been criticized for its overlapping policy with the provinces, and this is one more attempt on my part to remove as far as may be possible any justification of such criticism.

We have been endeavouring for some time to find some line of demarcation between provincial and federal agricultural activities, but this is not easy to define clearly. Generally speaking, those activities directly associated with production are conceded to be provincial, while the agricultural activities associated with the standardization, grading and marketing of exportable farm products, together with the health of farm animals generally, are usually conceded to be federal.

With this in view, we have been gradually dropping some distinctively provincial work, preparatory to taking up new work of a more federal or national character, also having in mind that we can more justifiably and more effectively urge for larger and more generous estimates when the expenditure is confined as nearly as possible to federal services.

In conclusion, I may say that when any one of the nine provincial departments of agriculture shows a desire to take up, resume, or continue the distribution of pure-bred cattle to farmers on an easy sales basis, the federal department will be prepared to discuss it with them, with the view of working out some mutually agreeable business policy, under which some tangible federal encouragement and coöperation could be afforded and defended.

In the meantime, the 1,400 federally loaned bulls throughout Canada will be continued in commission.

[Mr. Motherwell.]

I would appreciate it very much if you would endeavour to see these angles of the question, although it is not easy to do so, I admit, except by one who has had an opportunity to administer this work from both the provincial and the federal standpoint.

Commending these views to your very best judgment, I remain,

Yours very truly,

W. R. MOTHERWELL.

We are not scrapping the original policy, we are simply changing it from a loaning to an easy sales policy, with the Dominion cooperating with the provinces to the extent of carrying half the loss up to 15 per cent.

Mr. ROWE: The hon. minister says that he is changing the original scheme slightly to the extent of making it to an easy sales policy. Well, let me remind the minister that although he has been good enough to give to the Royal Winter Fair at Toronto an annual grant of $30,000, he apparently proposes to take it from the agricultural industry at the rate of $100,000 a year, because the cost of this federal sire system to-day amounts to over that sum annually. He says he is ready to coöperate with the provincial governments on very easy terms. But, Mr. Chairman, I do not think the farmers throughout the Dominion will accept his proposal as readily as those of us who are anxious to see parliament prorogue. In many parts of the Dominion undoubtedly this better sire service scheme has been of great advantage to the agricultural industry. The minister admits that himself, every member of this House admits it, and yet we find to-day he has abandoned it entirely so far as his department's responsibility financially is concerned. In answer to the hon. member for Northumberland (Mr. Maybee) the minister said he did not know there was a horse show at Cobourg last year.

Mr. MOTHERWELL: How should I know? I was otherwise engaged at that time, and very successfully too.

Mr. ROWE: I admit it, but I would remind the minister that the Cobourg horse show was very successfully staged last year, as it generally is, and it is one of the best shows in the Dominion.

Mr. MOTHERWELL: Sure.

Mr. ROWE: I know the minister is interested in live stock production, and this being so, surely it is not good judgment on his part to withhold the grants from the agricultural shows that are endeavouring to put on better exhibits every year, but yet have sometimes to struggle along at a loss. I think there is

money in the production of horses, and a horse show of the magnitude of that held at Cobourg should surely be recognized especially at a time when the department is reducing agricultural estimates to the extent of $65,000, while asking the farmers to endorse the payment of $35,000 per annum to the royal show at Toronto. We do not object to that, but when, as I say, the department is saving $65,000 in agricultural expenditures it is hardly right to withhold consideration from horse shows. I am not speaking particularly for the province of Ontario because I know that province will not be materially affected At the present time only about fifty-two sires are maintained in Ontario while in the provinces of Alberta, Saskatchewan, Manitoba and Quebec—where from $20,000 to $25,000 is being withdrawn from general expenditures—there are from 300 to 330 sires being maintained. These provinces are therefore suffering in this respect to the extent to which expenditures for agricultural purposes are being curtailed, while being correspondingly generous to other departments of the industry.

Mr. MOTHERWELL: My hon. friend, I know, really wants to know the facts. We should like to make a grant to Cobourg but we must cut our coat to suit the cloth, and we have not enough cloth to go round.

Mr. McGIBBON: You are cutting the cloth in the wrong way.

Mr. MOTHERWELL: My hon. friend from Dufferin (Mr. Rowe) is under a misapprehension regarding the alleged relationship between the grant to the winter fair at Toronto and any change that has taken place in the bull loaning policy. There is no connection whatever between the two. As a matter of fact it is now two years since the government was first committed to the grant to the Royal Winter Fair at Toronto. And let me make it clear that the grant is not to the city of Toronto, but to the live stock industry of Canada. My hon. friend represents the constituency of Dufferin: Et tu, Brute! Does he object to this money being voted for the fair at Toronto? Surely the fair must be established somewhere, and the object is to provide some place in which to house the pure-bred live stock of Canada. That is the primary object, and we believe Toronto to be the most convenient centre. I repeat, there is no relationship whatever between grants to fairs or to anything else and the policy of the department regarding sires, because before the latter policy was even thought of, two years ago next June, if my recollection serves me, an order in council was passed committing us to the principle of granting assistance to the winter fair at Toronto. What possible connection is there between the two, and why should my hon. friend wish to misrepresent the situation and convey the suggestion that Toronto is getting something at the expense of the farmers of the country? Where could we put the buildings if not in one of the large centres? My hon. friend knows that, but I want to draw his attention to it, and I am sure he will not continue to misrepresent the situation as he has unwittingly done.

Mr. ROWE: I cannot let the minister place the statement on Hansard that I am dangling anything before the people of Toronto, and I say to him that I am quite capable of looking after myself in my affairs with that city. I have not been misrepresenting the situation, and the minister has verified what I have said. He has carefully misrepresented the statement I made, when he said that I expressed the opinion that the grant should not have been given to the Royal show in the city of Toronto. Hon. members of the committee will remember that I said we had no objection to the grant being made.

Mr. MOTHERWELL: But my hon. friend said that it resulted in the impoverishment of some other place.

Mr. ROWE: I want to make it quite clear to the minister just what I did say, although I think he understands it fairly well; with his experience in parliament he does not need to have it explained to him more than twice, surely. I would be one of the last to oppose this grant; I have been an exhibitor at the Royal show and have been interested in it since its inception; as a matter of fact, I would have been keenly disappointed if that grant had not been made. What I did say was that the Minister of Agriculture has given this grant to the city of Toronto, and to that no member of this House has ever objected. The minister poses as a great agriculturist, and as one interested in the agriculture industry, yet he has taken from that industry $100,000 annually, which would amount to $2,000,000 in the next twenty years, to give to the city of Toronto, $35,000 a year for the next twenty years, a total of $700,000. I do not want to be misrepresented, but I think the people of this country will quite understand.

Mr. MOTHERWELL: What does my hon. friend call that if it is not dangling? He has mentioned it now half a dozen times.

Mr. ROWE: I hope the minister will allow me to make it clear to him, because I am sure the people of Toronto will understand it quite

readily. They know that no member of this House has objected to this grant of $35,000 a year, and I ask the minister if he has ever received a protest from either side of the House against this grant. It does seem strange, however, after saying that this better sire scheme which has been carried on for a number of years and which has done splendid work for the live stock of this country cannot be continued, and that he must cut his cloth according to his measurements, that the minister now proposes to continue this grant of $35,000 to the Royal show in Toronto. I would not object if that grant were increased to $50,000. The minister has shown that he is interested in the large shows but that the small shows, such as the Cobourg horse show, do not matter. That show has had a great reflection cast upon it to-day, although it is one of the best horse shows in the province of Ontario. The grant to that show has been eliminated while the city of Toronto is to receive a grant of $35,000 a year. I would not object, as I have already said, if that grant were increased to $50,000, because by the abandonment of this scheme which the minister has said is a splendid one, the department will be saving enough money to permit of such an increase. The minister is merely passing the buck, asking the provincial governments and the farmers to co-öperate, and assuring them that he will do everything possible to make it easy for them.

Mr. MOTHERWELL: Of course I know passing the buck is quite a favourite pastime for some, but I want to tell my hon. friend that nearly twenty years ago the provincial government of which I was a member started the first policy of buying and selling live stock to farmers on small cash payments down with the balance distributed over a considerable period. Now I am suggesting to the provinces that if they will do as Saskatchewan and Manitoba have done, and as Alberta has begun to do, the federal government will get behind them and help share the loss up to 15 per cent. Surely that should not be deprecated; it was at least good enough for the first province to which it was offered to accept immediately.

Mr. BENNETT: There is just a word I would like to say. I am not a farmer or an agriculturist, but I do know that this departure from the policy heretofore followed by the department has had a very distressing effect upon the pure bred sales which have been conducted in Calgary during the last twenty years. The people of that city have heard the news of this departure with very great sorrow, because this has had a stabilizing effect upon their business by

reason of the purchases made at spring shows by the government. I think the minister will admit that it was most advantageous, and this departure has certainly caused a great deal of surprise, because it is not felt that the alternative suggestion will be of nearly the same benefit to the community. I am not speaking with any degree of authority, of course, but I wish to represent the view expressed to me from time to time. I recently received some communications which I brought to the attention of the minister and which indicated that the effect of the announcement of the change of policy had been very injurious upon the spring pure bred sales. I thought possibly the minister might find some method by which this policy could be continued for another year, but he quite properly pointed out to me that when you do give notice at the expiration of a period such as this, there is always the same opposition to a change as there would be if the announcement were followed up immediately by the act itself. I can quite understand that. I think the sum of money saved in this way is very great and will be a loss to the industry except in a broad way with regard to the Royal show in Toronto.

Mr. LUCAS: Would the minister say if class "B" fairs are receiving anything?

Mr. MOTHERWELL: They are getting the $1,500 flat.

Mr. FANSHER (Last Mountain): There is some misapprehension as to the hog grading. Would the minister give us a little outline of that work?

Mr. MOTHERWELL: If my hon. friend is in Ottawa I will give him an invitation now to be an interested spectator at the coming conference. I do not know what the result will be. The packers, swine feeders and other interested parties entered into a gentleman's agreement in 1921 which resulted in a great improvement in our bacon hogs, and it would be very lamentable if anything should happen at this time in any way to interfere with this improvement. Our swine have been so improved that Canadian bacon to-day is on a parity with the best bacon sold on the British market. I shall be glad to have any suggestions as to an alternative policy which will be nearly as good, and that is the purpose of the conference.

Mr. GARDINER: Then the grading is not compulsory at present?

Mr. MOTHERWELL: It is compulsory for stock yards and producers but not in the country.

Mr. GARDINER: Is it true that an intimation has been received from the packers to the effect that they desire to discontinue the agreement?

Mr. MOTHERWELL: Yes. They wanted to discontinue it some time ago, but I prevailed upon them to continue until representatives from all the interests concerned could meet together.

Mr. GARDINER: Can the minister tell us anything in regard to the demand for Canadian bacon in Great Britain, whether it is falling off or increasing?

Mr. MOTHERWELL: The demand is splendid. Our bacon is sometimes very scarce on the British market, which is the reason for the good prices.

Mr. GARDINER: Does the question of compensation for the slaughter of animals come under this vote?

Mr. MOTHERWELL: No. That comes under item No. 46.

Item agreed to.

Experimental farms, $1,600,000.

Mr. MILLAR: This grant is quite large, but I do not think it is too large. One of these experimental farms lies almost at my door, and I have had an opportunity to observe the good work which is being done.

Progress reported.

REPORT OF COMMITTEE

Mr. GEORGES PARENT (Quebec West): Before you leave the chair, Mr. Speaker, I desire to revert to the presentation of reports, and with the leave of the House to present the fourteenth report of the select standing committee on miscellaneous private bills.

Mr. PARENT moved:

That in accordance with the recommendation contained in the fourteenth report of the select standing committee on miscellaneous private bills, the fees and charges paid on bill No. 307, respecting certain patents owned by Warren Brothers Company, be refunded, less the cost of printing and translation.

Motion agreed to.

PRIVATE BILL

THIRD READING

Mr. G. W. McPHEE (Yorkton): By leave of the House I beg to move:

That bill No. 338 for the relief of Fanny Mayer, being an unopposed divorce bill which has been reported by the select standing committee on miscellaneous private bills, be now read a third time, and that rule 28 be suspended in relation thereto.

Mr. SPEAKER: By unanimous consent.

Motion agreed to on division.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

THIRD READING

Bill No. 305, to incorporate Commerce Mutual Fire Insurance Company.—Mr. Morin (St. Hyacinthe).

SUN LIFE ASSURANCE COMPANY OF CANADA

The House in committee on Bill No. 107, respecting the Sun Life Assurance Company of Canada—Mr. Cahan—Mr. Johnston in the chair.

Section 1 agreed to.

On section 2—Capital stock.

The CHAIRMAN: Section 2 has been amended by adding after the word "shareholders" in the thirty-first line the following:

Of the capital stock hereafter issued an amount limited as hereinafter provided may be designated as "Class B" stock, the voting power of which shall be vested solely in the directors of the company, including both those elected by and representing the stockholders and those elected by and representing the participating policyholders under the provisions of any act of parliament, each director being empowered to vote, in person or by another director as his proxy, an equal whole number of shares to be found by dividing the total number of issued shares of such class B stock by the total number of directors then in office. Any issue of class B stock shall be made by a special resolution of the board of directors and approved by a majority of the votes cast at a special meeting of the stockholders duly called for considering the matter. Capital stock now issued or issued hereafter not being class B stock shall be known and designated as "class A" stock. The amount of class B stock issued and outstanding at any time shall not exceed twenty per centum of the total stock, classes A and B, then issued and outstanding.

Mr. COOTE: I wonder if whoever is sponsoring this bill will be good enough to explain to the committee this very lengthy and what seems to me to be a complicated amendment. The bill has not been reprinted and we have not the amendment before us.

Mr. CAHAN: The matter was discussed in committee, and the committee added a clause that 20 per cent of the additional stock issue might be voted by the directors of the company including both those who represent the policyholders and those who represent the

shareholders. This is simply a provision to make it difficult for foreign companies to buy up and control this Canadian company. I could explain it at greater length, but the time is short now and there are many other bills to be considered. The matter was fully explained before the committee and this is the substance of it.

Mr. SPENCER: When I was speaking on this bill the other night, one of the main reasons why I was critical of it was because I was afraid that this increase in capital stock was going to be carried out by the very common practice of what is usually termed cutting a melon or watering stock. After I had sat down the hon. member for Cartier (Mr. Jacobs) read a part of a letter from the president of the Sun Life. I have since been informed that the writer would have welcomed the whole of the letter being put on Hansard, and I therefore read it:

Montreal, April 8, 1927.

SAMUEL JACOBS, Esq., M.P.,
Parliament buildings,
Ottawa, Ontario.

My dear Mr. JACOBS,

As you have very kindly undertaken to look after our bill in the absence of Mr. Cahan, I take this opportunity of replying through you to a question which has been put to me.

We have absolutely no intention of issuing even one share of new stock as a bonus to our stockholders. If our bill becomes law we propose gradually to increase the capital up to $4,000,000, but every additional share which we may issue will be subscribed for in the usual way, and will be paid for in hard cash at its full par value.

We are quite willing that this letter shall be placed on record as a permanent pledge on behalf of the company to that effect.

Very truly yours,
(Signed) T. B. MACAULAY,
President.

Since that letter was written I had an opportunity of seeing Mr. Macaulay, and he led me to believe that he was anxious to guarantee against any possibility of people thinking there was going to be the usual melon cutting in regard to this stock issue. He went further and said that he was quite prepared to support an amendment being added to the amended clause 2. One was submitted to me which I was willing to place before the House. However, as Mr. Macaulay was anxious to look after the interests of the policy holders, and was not anxious that the shareholders should have more than a reasonable amount of return on their investment, I have added to the suggested amendment; I therefore move to amend clause 2 as amended by adding these words:

[Mr. Cahan.]

Of the capital stock to be hereafter issued no shares shall be distributed to the stockholders as dividends or bonuses, or shall be issued in any other way than in return for the payment to the company of at least the full par value thereof.

After the issue of any capital in excess of two million dollars no dividend to shareholders shall be declared by the company in excess of fifteen per cent per annum.

Mr. CAHAN: Mr. Chairman, without discussing the first clause of the amendment moved by the hon. member for Battle River, I accept it at once on behalf of the company. As to the second clause, I must object to that. Section 104 of the act of 1917 dealing with insurance, which is chapter 9 of the statutes of 1917, provides by enactment of this parliament that the participating policyholders shall be entitled to 90 per cent of the profits arising from the participating policyholders' business, which leaves to the stockholders 10 per cent. The Sun Life Company, by a by-law of its own, has reduced its share from ten to five per cent, and, in the bill before the House, they propose to reduce it still further to three per cent. Having reduced their share to three per cent, and leaving the remaining 97 per cent to the policyholders, they think that is fair since under the general law they are entitled to 10 per cent.

That part of the amendment of my hon. friend from Battle River which would provide that never in the future shall the company pay over 15 per cent to their stockholders is utterly unfair, because this company, which was incorporated just before confederation paid to its shareholders in cash dividends on its subscribed stock for nearly forty years never more than 2¼ per cent, and frequently less than that. In that way they have accumulated as a guarantee to their policyholders over $30,000,000, which belongs to the stockholders and is the stockholders' money, and to say that at no time in the future shall they pay over 15 per cent, if this company should in the future be in a position to distribute more, is utterly unfair, and I say that this parliament should not insert such a provision on account of the forty years during which the stockholders got practically nothing. I am not going to deal with the matter any longer. I accept the first clause, and if it is possible, Mr. Chairman, I would like you to put these clauses to the vote of the committee separately, so that we may have a separate vote upon them. If that is not possible, I will have to move in amendment to the amendment of the hon. member for Battle River that the second clause of his amendment be struck out.

Mr. COOTE: Could the hon. member inform the House in which years the company was paying the stockholders only 2¼ per cent?

Mr. CAHAN: The rate per cent of cash dividends paid to the stockholders was as follows:

Year	Rate per cent
1871..	Nothing
1872..	"
1873..	6/10 of 1 per cent
1874..	"
1875..	"
1876..	"
1877..	1 3/10 per cent

Mr. PARENT: How many shareholders were there then?

Mr. CAHAN: I do not know. I am dealing with the rate per cent. It got up to 1¼ per cent in 1883, and then went down to 75/100 of 1 per cent in 1887, came back in 1889 to 1½ per cent; 1890 and 1891, 1½ per cent; 1892, 1.69 per cent, and so on.

Mr. PARENT: The same shareholders all the time?

Mr. CAHAN: I do not know whether they were or not, but they were guaranteeing the policies of this company, and receiving comparatively little return on their liabilities. In 1898 the rate went up for the first time to 2¼ per cent, in 1910, 1.58 per cent, and in 1911, 3.75 per cent, and so on. I am not going to discuss this amendment at length, Mr. Chairman, because I think that every word I utter is preventing other private bills from getting through this House.

Mr. SPENCER: The hon. member has spoken of the small percentage the company has been paying. At the same time, I understand that the total actual cash paid into this company by the shareholders was $380,000. The hon. gentleman has just stated that the company has accumulated $30,000,000 which is the property of the shareholders. It seems to me the shareholders have done pretty well.

The CHAIRMAN: The hon. member for St. Lawrence-St. George has indicated his willingness to accept the first clause of the amendment moved by the hon. member for Battle River, and has asked that the clauses be put separately. That is a matter for the committee, not the chairman, to decide.

Mr. SPENCER: I will not stand for the amendment being divided, Mr. Chairman.

Mr. CAHAN: Then I move in amendment to strike out the second clause of the amendment moved by the hon. member for Battle River.

Mr. COOTE: I do not want the committee to be under any misapprehension as to the dividends which this company has paid. I do not want to delay the committee at all, but I would like to quote from the evidence given before the royal commission on insurance in 1906, where at page 2810, of volume 4 of the evidence, Mr. Macaulay was asked this question:

Q. Then for 1893, similarly, you take interest $4,256.07 and then 6 2/3 per cent of the profits; it is only $2,046.50 this year?—A. Yes.

Then on the next page I find the following:

Q. Then in 1897 you seem to have carried down interest the same as before, $5,871.13. It is a little more, but your capital was increasing then and instead of six and two-thirds per cent of the profits you seem to have gone down to five per cent of profits declared.
A. Yes.

As the committee is so insistent on having this matter put through, I simply say that if they would read the evidence taken before this commission they would find out that they were paying fifteen per cent. I will quote from a further question put by Mr. Macaulay:

Q. Then from 1898 to 1905 inclusive the dividend has been fifteen per cent on $105,000, or $15,750 per year?—A. Yes.

And the answer is yes. It is stated very clearly many times in this evidence that the rate of dividends that were being paid over a long period of years was fifteen per cent. I am totally unable to understand how my hon. friend (Mr. Cahan) can make the statement that the dividends are sometimes at the rate of one per cent and two per cent. I am sure he is under a misapprehension or is putting the committee under a misapprehension in regard to the matter.

Some hon. MEMBERS: Carried.

Mr. McGIBBON: A number of us are getting tired of being lectured by hon. members on every subject, particularly by my hon. friend from Macleod.

Subamendment (Mr. Cahan) agreed to.

Amendment as amended agreed to.

Section as amended agreed to.

Section 3 agreed to.

On section 4—Election of first board of directors.

Mr. CAHAN: Section 4 as amended here was suggested by Mr. Finlayson of the department. According to the original bill passed before confederation the directors of the company must be subjects of Her Majesty. Under the general act applying to

all other companies incorporated since 1910 the majority must be subjects of Her Majesty. Mr. Finlayson admitted to me last night that in drafting this section he made an error. He has not changed the purport of the original act. It should read:

Notwithstanding the provisions of section 9 of the said act of incorporation the board of directors of the company may be composed, to the extent of one-third, of persons who are not subjects of Her Majesty.

Every other insurance company incorporated or licensed to do business since 1910 must have a majority of British subjects. This company having been incorporated away back in the sixties contains a section which provides that all must be British subjects. In view of the large amount of business done in the United States, the company desire to be able to appoint one or two American directors to safeguard the interests of the policyholders. Therefore I move in amendment, in order to correct that error—and I think this will be agreed to by everyone:

That all the words after the word "company" be struck out and that there be inserted in lieu thereof the words "may be composed, to the extent of one-third, of persons who are not subjects of His Majesty".

Mr. ROBB: Before the amendment carries, would my hon. friends who are promoting the bill consent to this amendment which has been given me by the Superintendent of Insurance? I thought it was agreed upon with the promoters of the bill.

Notwithstanding anything contained in section 9 of the said act of incorporation at least two-thirds of the members of the board of directors of the company shall at all times be persons resident in Canada and subjects of His Majesty, and the remaining members of the board may be qualified as to residence and nationality in such manner as the by-laws of the company may prescribe.

Mr. CAHAN: I am perfectly willing to take either one. It is exactly the same thing.

The CHAIRMAN: Has the hon. member leave to withdraw his amendment?

Mr. ROBB: My hon. friend may move it.

Amendment agreed to.

Section agreed to.

Sections 5 to 9 inclusive agreed to.

The CHAIRMAN: Shall the preamble carry?

Mr. ROBB: I understand one section was passed as printed. I want to suggest to my hon. friend promoting the bill to make the section read as follows:

After the close of the calendar year in which this act shall come into force the proportion of

the profits of the participating business accruing to shareholders shall be reduced to not exceeding four per cent.

At the end of "five years thereafter," I want to put in the words "not exceeding three and a half per cent," and following the words "a further period of five years," the words "not exceeding three per cent."

Mr. CAHAN: I am quite willing to carry out the view of the Minister of Finance, but I think the words "not exceeding" are not the correct words. I should suggest we might word it this way in the fourth line:

The profits of the non-participating business accruing to the shareholders shall not exceed four per cent.

That makes it clearer and more definite. Strike out the words "be reduced" and add after the words "the profits of the participating business accruing to the shareholders" the words "shall not exceed four per cent."

Mr. ROBB: All right.

Mr. CAHAN: And at the end of five years thereafter strike out "to" and put in "shall not exceed three and a half per cent," and "at the end of a further period of five years" strike out the word "to" and put in "shall not exceed three per cent." I think it is better to make it declaratory than imperative.

The CHAIRMAN: Is it the desire of the committee that clause 1 be reconsidered?

Some hon. MEMBERS: Carried.

The CHAIRMAN: Then the amendments as stated by the sponsor of the bill will be as follows: In the sixteenth line substituting "not exceeding" for "be reduced to"; in the seventeenth line substituting "shall not exceed" for "to"; in the eighteenth line substituting "shall not exceed" for "to".

Amendments agreed to.

Section as amended agreed to.

Bill reported.

Mr. SPEAKER: When shall said bill be read a third time?

Mr. ROBERT GARDINER (Acadia): Mr. Speaker, there have been many important amendments proposed to this bill, so important that we would like to have a look at them in the printed form. Therefore I suggest that the third reading stand till the next sitting of the House.

Mr. SPEAKER: Next sitting of the House.

JOHN E. RUSSELL COMPANY, LIMITED, PATENT

The House in committee on Bill No. 117, respecting a patent owned by the John E. Russell Company Limited.—Mr. Chevrier—Mr. Johnston in the chair.

On section 1—Term of duration extended.

Mr. ROBB: Mr. Chairman, the Minister of Trade and Commerce (Mr. Malcolm) is not in his seat. I should like the Solicitor General (Mr. Cannon) to look at the amendments.

Mr. CANNON: Mr. Chairman, when this bill was before the special committee it was fully discussed. The committee ruled that the principle of extending a patent was vicious, and should not be entertained unless the promoters put before the committee the condition of things which would justify the members adopting a very exceptional view. After the discussion had taken place the committee decided to pass the bill. I do not wish to enter into the details of the discussion but the committee felt that the promoters had made out their case. The amendment passed by the committee has for its object the protection of any vested interests that may have been acquired as against the patent, and they are thoroughly protected.

Mr. GLEN: I was rather struck by the fact, Mr. Chairman, that the sponsor of this bill was the member for Ottawa, who was also sponsor of the bill for the Georgian bay canal. This probably accounts for the bill being remitted to the private bills committee without discussion in order that there might be an ascertainment of the facts before any vote was taken upon it. This you will remember, Sir, was the attitude which a good many hon. members took in this House, that on the second reading of a bill it should go before the private bills committee for the facts to be investigated. In the committee the facts were ascertained and an amendment was moved that the bill should not be reported. The reasons for that amendment I will deal with shortly. I have no intention of talking out this bill because I think it can be defeated on its merits, and I hope the day will never come when I shall have to take my place here to talk out any bill if it cannot be justified on its merits.

The purpose of this bill is the renewal of a patent granted to a citizen of the United States. He sold his rights to the company who are now applying for an extension of the term. The only reason given to the committee for the passing of this bill was that during the four years of the war the company did not make sufficient profits to meet the expenditure incurred in connection with the patent. In the committee I asked the solicitor for the bill if any royalties had been paid. He answered: Yes, royalties had been paid to the inventor. I asked where the royalties came from, and he said they were paid out of dividends. Now, the only reason given by the solicitor for the renewal of the patent was that the company wished to recoup themselves for a certain sum of money they had put into the patent; but it was shown before the committee that the company had made profits during these years when the solicitor claimed no profits were made. Out of these profits, as I have said, the royalties were paid to the inventor.

Mr. SPENCE (Parkdale): The company had to pay the royalties whether they made a profit or not.

Mr. GLEN: Just a minute. Only to-day we had another patent bill before the private bills committee and it was thrown out, but that is likely to be only one of a succession of such bills because of the fact that we have already this session passed a bill for the renewal of a patent. In the bill to which I have referred renewal was asked for, although the patent would not expire for at least eight years. The promoters of that bill were asking for it on the very same grounds as the promoters of this bill, that they had received no profits during the war years and wanted to be recouped for that period.

In the private bills committee I put this question to the officer of the patent office: What is the intention of the legislation which grants a patent to an inventor? He replied: A patent is granted in order that the inventor may recoup himself, or at all events gain the profits that his invention would give him in the open market, and only to this extent should an inventor be protected. Now, in this bill it is not the inventor who is asking for a renewal of the patent but the company which purchased it. That is, it is not the inventor who is to be protected, but the company, and they are asking this parliament to grant them an extension of eight years. That, I submit, is a principle which this parliament cannot stand for. If the inventor by his genius brings out something worth while, then in all countries his right to the profits from it for a certain period is recognized. In the old country that period I believe is sixteen years, and eighteen years in the United States. It was stated in the private bills committee that on no occasion within

memory had a patent been renewed after its expiry. If we grant this renewal to-night we are doing so in spite of the admission that was made in the private bills committee—and I am stating what is the absolute fact—that there was nothing to justify it except the loss that might have accrued to the company during the four years of the war by reason of the fact that this material was not extensively used. Let me observe here, as I said before the committee, that during that four years there was as much building of roads and as much use of concrete pipes in the west as at any time since confederation, so that if the company lost its opportunity for securing a market the fault was theirs and nobody else's. Apart altogether from that consideration, we are giving to this company the right to charge against all the municipalities of the country the increased profits which they might derive from the exercise of the privilege. Hon. gentlemen who were in the House not long ago will remember that application was made for a renewal of a patent on radio appurtenances and that application was killed on the floor of the House for the reason that it would mean a substantial loss to the citizens of Canada. It is apparent to-day that this refusal was warranted, for the price of the article in question at the present time is half what it was then. This is due to the fact that there was open competition and other companies were allowed to come in and sell to the consumers at a much lower figure. The consumers must be looked to. They are the people who will pay for the granting of this privilege and I do not think that this House can take upon itself the renewal of the license after a period of eighteen years. Surely in all conscience eighteen years is a long enough term during which any man should be allowed to exercise a privilege against all competitors. I submit that this bill should not pass and parliament should to-night register its recognition of the principle that when a patent expires, unless in the most extreme case, it should not be renewed.

Mr. ADSHEAD: I simply wish to support what the hon. member (Mr. Glen) has said. An application for a renewal of patent, which was thrown out, was before the private bills committee to-day and the basis of the plea was that we had granted such an extension a few weeks ago in the case of this Bill No. 117 regarding the John Russell Company.

Mr. SPENCE (Parkdale): This is not the first application for a renewal of a patent which the private bills committee has recommended to the House. A week ago a bill

came before parliament for the renewal of the application of a Frenchman named Frigon, who asked for an extension of a patent he brought from Switzerland. He had had bad luck, had met with an accident that laid him up for two years with both legs broken, and had suffered the loss of considerable money. The private bills committee in that case saw fit to grant the extension, and I was one of those who supported the committee. I am glad to see the chairman of the private bills committee here to-night. The hon. member for Marquette (Mr. Glen) made some reference to the fact that the member fathering this bill had also introduced the Georgian bay bill. That is a matter of coincidence. This bill went through the House last year after thorough discussion from every angle. It got its third reading here, went to the Senate, was passed there, and only failed to obtain the royal assent. Naturally in the circumstance the John E. Russell Company went on developing their business on the strength of the expectation that the patent would be renewed. The application came before the private bills committee again this year, was fully discussed in the forenoon and deferred to the afternoon, and after very careful consideration hon. gentlemen to my left agreed to an amendment to the bill. There was proposed a saving clause which, I presume, is not in print at present. The bill was adopted by twenty-seven to five, a substantial majority in the committee. Surely if there is any use of a private bills committee, who give the fullest consideration to matters of this kind, their recommendations should be given every consideration. I trust that hon. members will favourably consider the bill, especially seeing that these people have put a large amount of money into the business.

Mr. WARD: If we defeat this bill to-night will it hinder in any respect whatever the John E. Russell Company from going ahead with their business?

Mr. SPENCE (Parkdale): No, but it will prevent them from earning the money which the patent has cost them. The company have spent $150,000 on patterns and forms and so far they have not realized half that investment. The hon. member for Marquette said that there had been a great development in Manitoba during the war, necessitating the use of the material covered by the patent. Let me assure the committee that there was no such development in Ontario, particularly around Toronto, because there was no work in connection with the construction of roads.

The amendment moved in the committee was agreed to by my hon. friends to the left, and why they are opposed to it to-night I do not understand. That amendment reads:

If any person since the fifth day of August, 1926, commenced to construct, manufacture, use or sell in Canada the inventions covered by the said letters patent, such firm may continue to construct, manufacture, use or sell such inventions in as full and ample a manner as if this act had not been passed.

I hope hon. members will agree to the extension of the patent. The company has not made one-quarter of the money it has spent, for the reason that there was no development during the war. Particularly was this inactivity evident in the city of Toronto and in that part of the country where the Russell people do most of their business. Were it not for that fact I would not urge the extension of the patent, but I do trust that the committee, after the careful consideration which the private bills committee gave to the matter, will pass the bill.

Mr. GARLAND (Bow River): I desire to register my protest against the passing of this bill. The patent has already run its full eighteen years, and the company asks the renewal of it for one purpose only, and that is to continue to exploit the common consumer of Canada.

Mr. SPENCE (Parkdale): I rise to a point of order. The hon. gentleman has no right to make that statement.

Mr. GARLAND (Bow River): That is only another form of special privilege and it does no credit to anyone who advocates it. It is another way of soaking the unfortunate consumer. It is in the same category as the application which was made some years ago for the renewal of a patent on radio valves. That application was opposed by hon. members in this group and the wisdom of the House in voting it down was justified: the result has been a reduction in the price of these valves from $9 to $3. That has meant a saving of millions of dollars to the people of the north American continent. This very patent was also granted in the United States. There it has expired and it has not been renewed. That should be borne in mind.

Mr. SPENCE (Parkdale): That is because the gentleman who owned it died.

Mr. GARLAND (Bow River): That has nothing to do with it. The patent ran its course and its renewal was refused; it does not matter what the reasons were.

Mr. SPENCE (Parkdale): Carried.

Some hon. MEMBERS: Carried.

Mr. GARLAND (Bow River): We are being asked to renew a patent in favour not of the man who invented the article but of a private company whose object is to soak the people. I am absolutely opposed to anything of the kind. In Great Britain the term of patents is about fourteen years and in the United States about seventeen years. In Canada it is eighteen years—longer than anywhere else. Surely eighteen years is a long enough period in which the owner of a patent, or any private company controlling it, should be allowed to exploit the public.

Some hon. MEMBERS: Oh, oh.

Mr. GARLAND (Bow River): As soon as the noise has subsided I might suggest to the hon. gentleman that he is quite right when he says that when an attempt was made to secure full information with respect to the condition of this company, that is, with respect to its profits, its books and accounts and so on, that information was not forthcoming. There was some general statement made which in my opinion was not satisfactory, and until the company produce more adequate proof that they deserve some consideration I fail to see why this parliament should be asked to continue a principle as vicious as that proposed in this bill. After all, our primary duty is not to represent private interests but to represent the interests of the great consuming public. If this bill is permitted to pass we may anticipate a flood of similar bills coming up for consideration, and if we once create a precedent we will have great difficulty in justifying any objection to bills of this character which may subsequently come before us. Picture it for yourself; use your own imagination and consider what is liable to happen if we create a precedent now for renewing these wretched patent bills after almost illimitable periods have elapsed, bills which deliberately steal from the pockets of the people that which the people can ill afford to pay.

Mr. SPENCE (Parkdale): The John E. Russell Company are well respected and well known, and are not asking for anything unreasonable.

Mr. ROBB: I am not questioning the respectability or the financial standing of the John E. Russell Company; I did not attend the meeting of the private bills committee, so I am not very well posted as to the nature of the patent. But if, as I infer, this is a patent which will enable this company to collect royalties from all the municipalities making cement pipes, I agree with the ob-

servations made by the hon. member for Bow River. It may be that the fact that the bill passed the House last year and did not receive royal assent places those of us who were in the House last year under some obligation, but certainly not to grant this extension for eight years, and I would suggest to my hon. friend that he cut down that period considerably.

Mr. KAISER: It was cut down to eight years last year. When this came before the committee last session and the committee went into it, they unanimously agreed that it was right to grant an extension of time, but the time requested was twelve or fourteen years. The company reduced that to eight years. This company has invested already some $150,000 on account of this patent, and because of the attitude of the House last year they have invested still more money, and they simply ask the House to complete what was done last year. The evidence convinces me that it is a fair proposition, and I think parliament should grant the extension.

Mr. ROBB: All over this country there are small industries making sewer pipes and pipes for road drainage for the local communities. It seems to me that it is very unreasonable to put this company in a position to collect royalties from these other small companies.

Mr. SPENCE (Parkdale): I do not think there is any intention on the part of the John E. Russell Company to collect royalties. However, if the Minister of Finance wishes that two years be taken off the term, and the House is satisfied, we will do so..

Mr. ROBB: I would like to suggest that you move an amendment which will safeguard the municipalities.

Mr. SPENCE (Parkdale): So far as we know there are no firms making these pipes; it is an invention whereby two pipes are cemented together; it is a wonderful thing, and these people have a right to some consideration.

Mr. ROBB: Cut it down by six years.

Mr. GLEN: When the hon. member states that no one else has any interest in this business, he is stating what is not according to the evidence given before the private bills committee. A representative of the Dominion Sewer Pipe Company appeared before that committee and stated that they were about to manufacture these concrete pipes, that they had already purchased a site for which they had paid $15,000 in cash, on which they were to manufacture concrete pipes. When my friend says there was no opposition to it, he is also wrong; opposition was expressed right in the committee.

Mr. KAISER: This year, but not last year.

Mr. GLEN: The length of time is not the question at all; the question is whether this House shall decide upon a principle of renewing patents which have expired for a good many years, and whether this House is prepared to sanction that as a rule by which to be guided in the future.

Mr. BROWN: The hon. member for Marquette has stated what I was about to say. It is a fact that last year this bill passed through the committee without opposition but this year encountered strong opposition, and that fact alone is sufficient to warrant us in departing from the position taken a year ago.

Mr. GUTHRIE: I do not happen to be on the private bills committee, and of this House there are perhaps 215 members who were not present at that meeting and who are not aware of all the circumstances connected with this patent. That is so in the case of all private bills, and one who is not on the committee must trust to the findings of the committee in these matters. We did not hear the evidence but we have the report, in which we are informed that this committee, while it unanimously passed this bill last year, passed it on this occasion by a vote of 27 in favour with 5 against. The only safe course for those who were not present at the meeting and who did not hear the discussion, I think, is to follow the report of the committee under these circumstances. That is a rule which has been laid down for many years in this House and it is a rule which I propose to follow tonight.

Mr. GLEN: Would the leader of the opposition consider this position, that the statements which have been made in opposition to the bill have not been denied and cannot be denied by any hon. member of this House? If these statements are correct, surely it is for the House to decide and not for the committee, as to whether we shall establish such a principle?

Mr. SPENCER: I have been very much interested in the discussion and the arguments put forward by some hon. members to my right in giving their reasons why this bill should go through. One argument is that it went through the committee last year. I would like to remind hon. members that the

Georgian bay canal bill went through this House thirteen times, and those who opposed it most strenuously this year were the hon. members to my right. I think they were right in so doing. Another argument advanced is that the bill we are now considering went through the committee this year with a vote of 27 to 5, so we are told. I want to tell the committee that there was no vote counted at all, and as one of the minority I know that more than five voted against it.

Mr. SPEAKER: The hour for private bills having expired, I now resume the chair.

Mr. ROBB: If we might have the unanimous consent of the House, Mr. Speaker, there are some bills which have been held up, and the government offer no objection to continuing for at least another hour. I think we were committed to that by some hon. gentlemen opposite, but we are entirely in the hands of the House since it must be by unanimous consent.

Mr. COOTE: May I ask a question on that point? Will the Minister of Finance give us any assurance as to when the House will rise to-night if we permit this suggestion? Last night we sat until half past two, after a late session the night before—

Mr. CANNON: My hon. friend is making a mistake; it is not a question of consent but a matter to be agreed upon among the members of the House in order to expedite business. We do not want to rush anything.

Some hon. MEMBERS: Oh, oh.

Mr. GUTHRIE: There is no motion before the House.

Mr. ROBB: I did not make any motion. I said that the government offered no objection to continuing another half hour or hour in committee on private bills if the House was unanimous in regard to the matter.

Mr. SPEAKER: Am I to understand that it is the judgment of the House that it should resolve itself into committee of the whole on private bills for another half hour? By unanimous consent?

Some hon. MEMBERS: Carried.

SUN LIFE ASSURANCE COMPANY BILL

Mr. CAHAN: Before Your Honour leaves the chair I wish to make a motion which appears to be in order. I beg to move:

That it is urgent that Bill No. 107, respecting the Sun Life Assurance Company of Canada (as amended), be now read a third time, because private bills will not be placed on the order paper until Tuesday the 19th instant for consideration by the House, under rule 25 and resolutions passed by the House.

Mr. PARENT: That has been decided already.

Mr. CAHAN: My motion is in order under rule 40 which provides that a motion may be made without notice in respect to a private bill, and under rule 52 which provides:

Every bill shall receive three several readings on different days, previously to being passed. On urgent or extraordinary occasions, a bill may be read twice or thrice, or advanced two or more stages in one day.

It is well within the knowledge of the House that we are approaching prorogation and this is the opportunity which I take. I think I am in order in making the motion.

Mr. SPEAKER: The motion is in order according to rules 40 and 52. According to rule 40, the two days' notice shall not apply to private bills, and rule 52 states:

Every bill shall receive three several readings on different days, previously to being passed. On urgent or extraordinary occasions, a bill may be read twice or thrice, or advanced two or more stages in one day.

Mr. GARLAND (Bow River): Mr. Speaker, is it not necessary that a motion of this nature should be rather in the form of a notice of motion.

Mr. SPEAKER: That is not necessary under rule 40.

Mr. GARLAND (Bow River): Does it not then require unanimous consent?

Mr. SPEAKER: No.

Mr. WOODSWORTH: The question I should like to ask is: What constitutes an extraordinary occasion? There must surely be some sort of definition of an extraordinary occasion. If it means simply when a bill is of interest to me or to my group, then we know where we stand, but I cannot see just where the extraordinary occasion comes in. We have had bill after bill in this House that have been standing for weeks. Surely the promoters of any of those bills might have claimed that they were interested in getting them through. I would like to have your ruling as to what constitutes an extraordinary occasion.

Mr. ROBB: May I submit to the House and particularly to the hon. member who is promoting the bill, that I am satisfied that his measure was hurried along to-night because some hon. gentlemen had other bills which they desired to promote? I have just said on behalf of the government that we

offer no objection to the House remaining in committee for another half hour or an hour. It seems to me that my hon. friend, in view of the statement made by the leader of the Progressive party a few moments ago that he desired some delay, is not expediting his measure by pressing this motion at this time. I recommend that he withdraw his motion until at least we have disposed of the sheet of private bills.

Mr. CANNON: If we follow the rules of the House private bills can come before us only on Friday, so that all private bills which we are considering to-night, unless they receive third reading to-day, will not be proceeded with any further.

Mr. GARLAND (Bow River): Why not?

Mr. CANNON: Supposing prorogation should take place in the meantime?

Mr. GARLAND (Bow River): Who is in such a hurry for prorogation?

Mr. CANNON: My hon. friend is jumping at conclusions. I am explaining the situation.

Mr. GARLAND (Bow River): We can pass them on Friday evening.

Mr. CANNON: I wish simply to point out to the hon. member for St. Lawrence-St. George (Mr. Cahan) that he is in exactly the same position as promoters of all the other private bills, and therefore he need not move this motion at all. If for some reason or another there is some urgency in having more than one reading, I think the House will agree that all bills, including his, will be treated in the same way.

Some hon. MEMBERS: Dropped.

Mr. SPEAKER: Am I to understand that the hon. gentleman persists in moving this motion?

Mr. CAHAN: I do not want to take precedence or stand in the way of any other hon. member. It is usual in the House, when bills have passed committee, for them to be read a third time, and this motion is in order.

Mr. SPEAKER: The motion is in order. It is not debatable under rule 17-A because it is not on the order paper. It is in order under rule 52, and if the hon. gentleman persists in moving this motion I will put the question.

Some hon. MEMBERS: Aye.

Some hon. MEMBERS: Nay.

Motion negatived.

[Mr. Robb.]

Mr. SPEAKER: Am I to understand there is an understanding that the House will now consider other private bills for half an hour?

Some hon. MEMBERS: Carried.

Some hon. MEMBERS: No.

Mr. CAHAN: Am I in order in asking for a recorded vote?

Mr. SPEAKER: Nobody rose when I asked for the yeas and nays.

Mr. GARDINER: I desire to ask a question on this bill which has now been read a third time.

Mr. SPEAKER: It has not been read a third time.

Mr. GARDINER: I understand that the motion to read it a third time was defeated.

Mr. SPEAKER: No. The motion was that the bill be read a third time now on account of an extraordinary and urgent situation. But the House said that there was no extraordinary or urgent situation, and therefore the bill which was standing for third reading remained where it was. As the House is in a good humour I take it that the House will sit in committee for half an hour to consider the other private bills.

THE JOHN E. RUSSELL COMPANY, LIMITED

The House again in committee on Bill No. 117, respecting a patent owned by the John E. Russell Company, Limited—Mr. Chevrier—Mr. Johnston in the chair.

On clause 1—Term of duration extended.

Mr. SPENCE (Parkdale): I was just speaking to the Finance minister, and he agreed that he would not oppose an extension of five years, so I move, Mr. Chairman, that the word "eight" in line 17 of the bill be struck out and the word "five" be substituted therefor.

Amendment agreed to: Yeas, 75; Nays, 44.

Mr. SPENCER: At nine o'clock, Mr. Chairman, when I was speaking on this bill, I was about to point out that the company had had this patent for eighteen years before it ran out. This company is trying to get this bill through at the present time by claiming that they have a right to the renewal of this patent because of the war years. Now the war lasted only four years, and I would like to know what this company was doing in the other fourteen years. Another argument put up in favour of this bill is that this company suffered certain losses during the war,

or did not make as much profit because of the war as they wanted to, and now they want to recoup themselves. I would like to know, Mr. Chairman, what would happen if all the men and all the companies and all the firms who lost money during the war, and hundreds of thousands did, looked to this parliament to recoup them.

Another reason why I am opposing this bill is because the solicitor who supported it admitted before the special committee that the only reason they wanted this extension was because they wanted a good talking point for sales. When that is the only reason they give for wanting this renewal, I think it is about time the bill was turned down.

Mr. RENNIE: I would ask who these men were who lost money during the war.

Section as amended agreed to.

Sections 2 and 3 agreed to.

Preamble agreed to: Yeas, 64; Nays, 34.

Mr. NEILL: I rise to a point of order. Does an amendment to a private bill not require notice? No notice was given.

Mr. GUTHRIE: It is too late to take the objection now.

The CHAIRMAN: The point is well taken, but the amendment was proposed and accepted by the committee. The objection is too late.

Bill reported.

Mr. SPEAKER: When shall the bill be read a third time?

Mr. GLEN: Next sitting of the House.

Motion stands.

THE FREE METHODIST CHURCH IN CANADA

The House in committee on Bill No. 177, to incorporate the Free Methodist Church in Canada—Mr. Carmichael—Mr. Johnston in the chair.

Mr. CANNON: Before this bill is proceeded with, a point of order was raised a moment ago by the hon. member for Comox-Alberni, which point of order was well taken. An amendment to a private bill cannot be moved in committee unless notice thereof has been given.

Mr. STEVENS: Except by consent.

Mr. CANNON: Except by consent. This bill may not be considered as contentious if an amendment is made to it, and I understand that the hon. member in whose name the bill appears is willing to move an amendment.

Mr. CARMICHAEL: I was on my feet to make an explanation when the Solicitor General commenced to speak. This is the general act of incorporation for a church body. There is nothing unusual about the bill. It has been considered in the private bills committee and has been safeguarded by such clauses as the committee thought necessary. Some objections were raised to the part of schedule A of the bill which set forth the articles of religion of the body. In the committee no amendment was made to that part of schedule A, but I am since authorized by the solicitors who were promoting the bill to make an amendment striking out completely the articles of religion from the bill and substituting a short clause in lieu thereof, directing the attention of the body to their book of discipline. When we proceed with the bill I will move these two amendments, and I trust we will have the unanimous consent of the House to these amendments; otherwise we might as well not deal with the bill at all.

Section 1 agreed to.

On section 2—Objects.

Mr. CARMICHAEL: Before accepting section 2 I desire to move an amendment, because the wording of this section was arranged in such a way to suit schedule A as passed in the committee. My amendment purports to strike out the first part of that clause, so as to bring it in line with the subsequent amendment which I will propose to the schedule.

The CHAIRMAN: I must ask the hon. member what he means by striking out all of subsection 1 of section 2?

Mr. CARMICHAEL: The section says:

> The religious belief and creed of the said church is that set forth in articles 1 to 23 inclusive in schedule A.

We propose to strike out all articles in schedule A, and it is necessary to strike out section 1.

Mr. PARENT: I may say that this bill was thoroughly discussed in the private bills committee, and the representations made by the hon. member who has just spoken were acceptable to the members present when the matter was discussed.

Amendment agreed to.

Section as amended agreed to.

Sections 3 to 18 inclusive agreed to.

On section 19—Provisions effective as far as parliament has jurisdiction.

The CHAIRMAN: This is a new section.

Section agreed to.

On schedule A—Articles of religion.

Mr. CARMICHAEL: Mr. Chairman, I beg to move:

That schedule A be amended by striking out all of pages 6, 7, 8 and 9, and page 10 to the end of line seven, and substituting the following therefor:

Schedule A

Articles of Religion

The articles of religion of the Free Methodist Church in Canada shall be those contained in the doctrines and discipline of the Free Methodist Church, edition of 1923, division 1, from page 11 to page 18.

Amendment agreed to.

Schedule as amended agreed to.

Schedule B agreed to.

Bill reported.

Mr. SPEAKER: When shall said bill be read the third time?

Mr. LADNER: Next sitting of the House.

Mr. CARMICHAEL: I would like to point out, Mr. Speaker, that Bill No. 177 as amended is not a contentious bill. The amendments were put in with the unanimous consent of the committee so as to remove the contention. I have tried heretofore to have this bill taken care of in this chamber so it could go on to the upper chamber and be disposed of before prorogation. I fail to see the point in asking that the third reading of this bill be held over until the next sitting of the House. I believe that only one hon. member has objected, and I would move that the bill be now given its third reading so that it may be disposed of at this session.

Mr. SPEAKER: I am in the hands of the House. Is it the pleasure of the House to take the third reading of this bill now?

Some hon. MEMBERS: Yes.

Mr. SPEAKER: Am I to understand that there is unanimous consent?

Motion agreed to, and bill read the third time and passed.

LA CONGRÉGATION DE SAINT-DOMINIQUE DU TIERS-ORDRE ENSEIGNANT

The House in committee on Bill No. 116, to incorporate La Congrégation de Saint-Dominique du Tiers-Ordre enseignant.—Mr. Raymond—Mr. Johnston in the chair.

Sections 1 to 10 inclusive agreed to.

On section 11—Assent of council.

The CHAIRMAN: Clause 11 is amended as follows:

In respect to all real property which by reason of its situation or otherwise is subject to the legislative authority of the parliament of Canada a license in mortmain shall not be necessary for the exercise of the powers granted by this act; but otherwise the exercise of the said powers shall, in any province of Canada, be subject to the laws of such province as to the acquisition and holding of lands by religious corporations in so far as such laws apply to the corporation or to the houses of the institute.

Amendment agreed to.

Section as amended agreed to.

Bill reported, read the third time and passed.

NORTH AMERICAN RELATIONS FOUNDATION

The House in committee on Bill No. 154, to incorporate North America Relations Foundation—Mr. Jacobs—Mr. Johnston in the chair.

On section 1—Incorporation.

The CHAIRMAN: Section 1 has been amended by adding the following names:

Cornell University, Ithaca, New York, Osgoode Hall, Toronto, Ontario, McKinnon building, Toronto, McMaster University, Toronto—

Mr. SPENCER: Mr. Chairman, before this clause is carried I would ask the hon. member who has charge of the bill kindly to explain it, as many of us have not had an opportunity to read it. The bill is rather lengthy.

Mr. JACOBS: As you will notice, Mr. Chairman, the bill is for the purpose of promoting friendly relations between Canada and the United States. That is a pretty big order. The promoters are some of the principal people in Canada and the United States. I may say that Professor Farrand of Cornell University, Mr. Justice Riddell and Professor G. M. Wrong and other gentlemen interested are at the head of the movement. The bill was thoroughly discussed in the private bills committee and met with no opposition whatever. I think it should go through as a matter of course.

Mr. BROWN: I think the bill met with almost unanimous approval on the part of the committee. Its object is most worthy and there is no reason for opposing it.

Amendment agreed to.

Section as amended agreed to.

Sections 2 and 3 agreed to.

On section 4—Objects.

The CHAIRMAN: Section 4 has been amended by striking out paragraph (d) and designating paragraph (e) as paragraph (d). The latter paragraph has been amended by adding after the word " of " in the second line the following:

—the United States of America and Canada, and the British commonwealth of nations generally—

Amendment agreed to.

Section as amended agreed to.

Sections 5 to 19 inclusive agreed to.

On section 20.—When to come into force.

The CHAIRMAN: This is a new section and reads:

This act shall come into force on the day of its sanction.

Section agreed to.

Bill reported, read the third time and passed.

RED RIVER DRIVING CLUB

The House in committee on Bill No. 237, to incorporate the Red River Driving Club—Mr. Beaubien—Mr. Johnston in the chair.

Mr. HOWDEN: I wish to oppose the further progress of this bill. The object is to incorporate a racing club in the city of St. Boniface, and as I come from that city I am interested in the proposal. I was not in the House when the bill was referred to the private bills committee or I would have opposed that motion. In the province of Manitoba we have six racing clubs to-day, there being three race tracks in greater Winnipeg. Provincial legislation provides for a week's racing in each of the spring and fall meets, and as a matter of fact it is impossible for three or four of the six clubs in Manitoba to stage any events at all. The men behind this bill are seeking to circumvent the laws of the province of Manitoba and to carry on racing there and in other provinces west in spite of provincial legislation. The purpose of the bill is not to provide racing in the true sense of the word; it is not to encourage the purely sporting spirit. The purpose is to enable the incorporators to use the pari-mutuel machines in order to transfer sums of money from the pockets of citizens to their own. If the pari-mutuel privilege were removed from the bill this measure would fall flat. The business interests of Winnipeg, the citizens themselves, and the legislature of the province of Manitoba are all opposed to it. I have received from the Attorney General of Manitoba the following telegram:

Have wired Premier King as follows: "To-day's newspapers item states Red River Driving Club, Bill No. 237, reported from private bills committee of House of Commons. The government of Manitoba submits that already there are sufficient tracks in Manitoba to accommodate the public requirement for horse racing. The holding of numerous race meets in Manitoba became a serious evil and the Manitoba legislature after careful consideration enacted the Horse Racing Regulation Act in 1926. Any increase in present number of associations which have power to hold race meets makes the situation more difficult to handle. Government of Manitoba therefore submits that your parliament should not pass this bill. Am confident Manitoba legislature would not pass similar bill." Would appreciate your opposition to this bill.

There are also telegrams from the board of trade and other prominent corporations in the city of Winnipeg opposing this bill. There is ample provision for racing in Manitoba at the present time. We have four weeks of racing every summer as well as race meets on the ice two days in every week of winter. It is becoming a serious problem for the local legislature to deal with and I wish to protest against the progress of the bill. If in order, I beg to move that Bill No. 237, to incorporate the Red River Driving Club, shall not now be proceeded with but that it be referred back to the special committee on miscellaneous private bills for reconsideration.

Mr. BENNETT: This legislation is wholly provincial in character and in the ordinary course of events it should not be before this House at all. The Solicitor General might advise us whether or not, in his opinion, it should be considered by this parliament. Its objects are purely provincial, it incorporates a body which will function within the province, and it does not touch any other province. The bill should be considered by the legislature and not by this parliament.

Mr. PARENT: It was represented to the private bills committee that the corporation intended doing business in other provinces and that brought it within the federal scope.

Mr. BENNETT: No.

Mr. HOWDEN: I want to correct my hon. friend (Mr. Bennett). The object of the bill is to enable the corporation to circumvent provincial laws.

Mr. BENNETT: That is what I understood, and for that reason I consider it altogether bad.

Mr. CANNON: As the hon. member for West Calgary has pointed out, these bills are generally submitted to the provincial legislatures. I do not think that this parliament

since confederation has been called upon to pass any such legislation. In order to give a tint of federation jurisdiction to the bill it is provided that the new company shall have the right to operate in more than one province, but I do not think that the bill should be adopted by the Dominion parliament. If the promoters wish to operate in Manitoba or in any other province they should apply to the provincial authorities. This point was brought out before the committee and it was doubted very much there whether, in the first place, this parliament had jurisdiction and, secondly, if it had, whether the bill should pass. I agree with the hon. member for West Calgary that it would be much better, legally speaking, to leave such legislation to the provinces.

Mr. BENNETT: The usual practice has been to deal with such measures under the Companies Act.

Mr. CANNON: We have never passed a bill like this.

The CHAIRMAN: The amendment is not in order at this stage.

It reads:

That Bill No. 237, to incorporate the Red River Driving Club, do not now receive its third reading but that it be referred to the select standing committee on miscellaneous private bills for reconsideration.

It is not up for third reading at the moment and I think such a motion should be made when the Speaker is in the chair.

Mr. CANNON: I would move that the committee proceed to the next order.

The CHAIRMAN: The motion is in order.

Motion agreed to.

R. T. VANDERBILT COMPANY

The House in committee on Bill No. 261, respecting a certain amendment of R. T. Vanderbilt Company—Mr. Edwards (Ottawa)—Mr. Johnston in the chair.

Mr. SPENCER: I would like to ask what hon. member is looking after this bill.

Mr. GUTHRIE: It is a Senate bill.

Mr. COOTE: We have not this bill, and I think we should not proceed until we at least have the bill or some explanation from the sponsor.

Mr. CANNON: We might suspend consideration of this bill for the moment.

The CHAIRMAN: Stands.

[Mr. Cannon.]

THE SEALRIGHT COMPANY INCORPORATED

The House in committee on Bill No. 253, respecting certain patents owned by the Sealright Company Incorporated—Mr. Young (Toronto)—Mr. Johnston in the chair.

On section 1—Extension of time for application to revive patents.

Mr. GARDINER: Will the hon. member who is sponsoring this bill give some explanation?

Mr. YOUNG (Toronto): If any explanation is desired, this bill deals with patents in connection with sanitary containers for milk and such products. There is a minor discrepancy in the Patent Act.

Mr. WARD: Let us have something to base our judgment upon. Not a member in this corner of the House knows what is taking place.

Mr. YOUNG (Toronto): I am sorry that I am unable to speak any louder. There is a minor conflict with a previous patent, as I remember the situation, that previous patent being one which is really non-existent, that is, it has not been exercised. The patent itself is for containers for milk and such products. That is the best explanation which I can give to the House at the present time without going into voluminous details which I do not think the importance of the matter justifies.

Section agreed to.

Bill reported, read the third time and passed.

SUN LIFE ASSURANCE COMPANY OF CANADA

On the motion for the third reading of Bill No. 107, respecting the Sun Life Assurance Company of Canada.—Mr. Cahan.

Mr. SPEAKER: When shall this bill be read a third time?

Some hon. MEMBERS: Next sitting of the House.

Motion stands.

THE MIDLAND RAILWAY COMPANY OF MANITOBA

Mr. THORSON: May I ask, Mr. Speaker, the same privilege with regard to Bill No. 144, respecting the Midland Railway Company of Manitoba, as has been accorded with regard to Bill No. 177?

Mr. SPEAKER: I am in the judgment of the House.

Mr. LADNER: Will Bill No. 107 have the same consideration?

Some hon. MEMBERS: Carried.

Mr. SPEAKER: Mr. Thorson moves that Bill No. 144, respecting the Midland Railway Company of Manitoba, be now read a third time. Is it the pleasure of the House to adopt the motion?

Motion agreed to, and bill read the third time and passed.

THE INDEPENDENT ORDER "FIOR D'ITALIA"

Mr. ODETTE: Mr. Speaker, Bill No. 175 is not a contentious bill. There was no objection raised to it in committee, and the Superintendent of Insurance has reported favourably upon it. I therefore move the third reading of the bill.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion?

Mr. LADNER: I object.

Mr. SPEAKER: I would refer the hon. gentleman to Rule 56 which says:

When a bill is reported without amendment, it is forthwith ordered to be read a third time.

Mr. STEVENS: It is amended.

Mr. SPEAKER: It is not amended.

Mr. STEVENS: It is marked on the order paper as amended.

Motion agreed to, and bill read the third time and passed.

THE GREAT LAKES AND ATLANTIC CANAL AND POWER COMPANY, LIMITED

On the motion for the second reading of Bill No. 255, respecting the Great Lakes and Atlantic Canal and Power Company, Limited. —Mr. Denis (Joliette).

Mr. SPEAKER: I find that the hour for private bills has now elapsed.

Motion stands.

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 144, respecting The Midland Railway Company of Manitoba.—Mr. Thorson.

Bill No. 175, to incorporate The Independent Order "Fior d'Italia.—Mr. Odette.

Bill No. 214, to incorporate Guardian Trust Company, and recommending that the title be changed to "An Act to incorporate Guardian Trust Corporation of Montreal."—Mr. Kay.

Bill No. 238, respecting the Subsidiary High Court of the Ancient Order of Foresters in the Dominion of Canada.—Mr. Bell (Hamilton).

Bill No. 254, respecting the Algoma Central and Hudson Bay Railway Company.—Mr. Bradette.

Bill No. 261, respecting a certain patent of R. T. Vanderbilt Company.—Mr. Edwards (Ottawa).

Bill No. 273, for the relief of Charles William John Walker.—Mr. Ross (Kingston)'

Bill No. 274, for the relief of John Stewart Walker.—Mr. Lennox.

Bill No. 275, for the relief of Percy Ashley Davis.—Mr. Edwards (Ottawa).

Bill No. 276, for the relief of Edward Henry Ball.—Mr. Ilsley.

Bill No. 277, for the relief of Mary Saranchuk.—Mr. McPhee.

Bill No. 278, for the relief of Dorothy Ruth Hoffman.—Mr. Stinson.

Bill No. 279, for the relief of Frederick Wilson McLean.—Mr. Anderson (Toronto).

Bill No. 306, respecting The Sterling Trusts Corporation.—Mr. Rutherford.

Mr. SPEAKER: With reference to the divorce bills, is it the pleasure of the House that Bills Nos. 273, 274, 275, 276, 277, 278 and 279 be now read the third time?

Some hon. MEMBERS: On division.

Motion agreed to, on division, bills read the third time and passed.

SUPPLY

DEPARTMENT OF AGRICULTURE

The House in committee of supply, Mr. Johnston in the chair.

Experimental farms, $1,600,000.

Mr. MILLAR: When the House rose at six o'clock I was about to make some remarks on this item. I hold in my hand a memorandum prepared by the superintendent of the experimental farm showing the nature of the work being done there. I will read the first item and I ask permission to place the complete memorandum on Hansard.

The memorandum is as follows:

Experimental Farm, Indian Head
Projects being conducted

Horses—

1. Breeding and improvement of Clydesdale horses.
2. Feeding potassium iodide for the control of navel ill.
3. Cost of raising two-year-olds, yearlings and foals.
4. Comparison—stable vs. shed for idle work horses.
5. Cost of maintaining idle work horses during winter.
6. Cost of maintaining horses on light work during winter.
7. Cost of maintaining brood mares.

Cattle—Shorthorns—
1. Breeding shorthorns.
2. Cost of raising calves, yearlings and two-year-olds.
3. Feeding potassium iodide for prevention of goitre.

Cattle—Ayrshires—
1. Breeding Ayrshire cattle.
2. Cost of raising Ayrshire calves.
3. Cost of milk production.
4. Record of performance work.
5. Feeding potassium iodide for prevention of goitre.

Sheep—
1. Breeding Shropshire sheep.
2. Cost of maintaining breeding ewes.
3. Cost of maintaining breeding rams.
4. Distribution of rams for flock improvement.
5. Economy of early vs. late lambs.
6. Cost of rearing market lambs.

Swine—
1. Breeding bacon type Yorkshires.
2. Comparison of hog pastures.
3. Breeding for spring and fall litters.
4. Comparison of coarse grains for finishing hogs.
5. Comparison of shelters for fall litters.
6. Feeding potassium iodide for prevention of hairlessness.

Field Husbandry

Rotations—
1. "C"—Three-year rotation (summerfallow, wheat, wheat).
2. "J"—Six-year rotation (corn, wheat, hay, hay, wheat, oats).
3. "P"—Eight-year rotation (corn, barley, hay, hay, hay, hay and break, wheat, oats).
4. "R"—Nine-year rotation (summerfallow, wheat, oats, hay, hay, hay, corn, wheat, oats).

Cultural Experiments—
1. Summerfallow treatment.
2. Summerfallow substitutes.
3. Stubble treatment.
4. Breaking sod from cultivated grasses and clovers.
5. Place in rotation to seed fall rye.
6. Dates of seeding sunflowers.
7. Dates of seeding fall rye.
8. Rates of seeding grasses and clovers.
9. Methods of seeding grass and clover mixtures.
10. Cultivation and intertillage of sunflowers.

Manure and Commercial Fertilizer Experiments—
1. Manure for wheat.

Cereal

Tests of Varieties or Strains—
1. Common spring wheat.
2. Durum wheats.
3. Winter wheats.
4. Oats.
5. Barley.
6. Field peas.
7. Field beans.
8. Flax.
9. Winter rye.

Isolation of Superior Strains by Selection—
1. Spring wheat.
2. Durum wheats.
3. Winter wheats.
4. Oats.
5. Barley.
6. Field peas.

[Mr. Millar.]

Miscellaneous—
1. Production of registered grain.
2. Tests of farmers' seed grain.
3. Tests of flax and wheat in combination for grain.
4. Bi-stimulation of seed wheat.
5. Spring wheat—production of superior varieties from crosse.

Coöperative Work—
1. Seed treatment for control of wheat bunt in coöperation with division of botany.
2. Effect of soil on quality in common spring wheat in coöperation with the University of Saskatchewan Department of Chemistry.

Forage Crops

Alfalfa—
1. Variety tests for hardiness, yield and suitability.
2. Breeding improved strains.
3. Rates of seeding for hay production.
4. Seeding with vs. without a nurse crop.
5. Depth of seeding.

Annual Hay Crops—
1. Dates of seeding oats for hay.
2. Tests of yield and suitability of grain varieties.
3. Tests of yield and suitability of legume varieties.
4. Tests of yield and suitability of other grasses.
5. Cutting oats at different stages for hay.

Other Hay Crops—
1. Brome grass—rates of seeding for hay production.
2. Hay and pasture mixtures using alfalfa as a base.
3. Hay and pasture mixtures using sweet clover as a base.
4. Grasses and clovers alone and in combination.
5. Miscellaneous grasses.
6. Red clover—variety tests for yield and general suitability.
7. Sweet clover variety tests.
8. Sweet clover—methods of seeding for hay production.
9. Sweet clover—rates of seeding for hay production.
10. Western rye grass—Variety tests for yield and purity.
11. Western rye grass—rates of seeding for hay production.

Hoed Crops—
1 Carrots—variety tests for yield and purity.
2. Indian corn—variety tests for ensilage purposes.
3. Indian corn—variety tests for production of grain.
4. Mangels—variety tests for yield and purity.
5. Sugar beets—variety tests for yield and purity.
6. Sunflowers—variety tests for yield and purity.
7. Swedes—variety tests for yield and purity.

Coöperative Work—
1. Tests of methods for inoculating alfalfa and sweet clover in coöperation with the Department of Soils, University of Saskatchewan.

Horticulture

Vegetables—
1. Variety tests of thirty-two kinds of vegetables.

Horticulture—Concluded

2. Planting distances for peas and beans.
3. Dates of planting for beets, carrots, parsnips, potatoes.
4. Methods of blanching celery.
5. Methods of pruning tomatoes.
6. Selection of early maturing strains of corn. egg plant, tomatoes, onions.

Small Fruits—

1. Variety tests of red, white and black currants, gooseberries, strawberries and raspberries.

Tree Fruits—

1. Testing the suitability of hardy standard and cross-bred apple varieties for prairie conditions.
2. Selection of suitable seedlings of standard varieties of apples.
3. Testing hardy plum and hybrid plum varieties.
4. Propagation of and selection from seedlings of the best native plum varieties.

Flowers—

1. Variety tests and propagation of perennials.
2. Variety test and seed production of annuals.
3. Cultural methods for bulbs (tulips) out of doors.

Suggested Experiments to be Conducted by the Horticultural Department, Experimental Farm, Indian Head

Vegetables—

1. Tomato—attempt to hasten maturity by cultural and fertilizer treatments.
2. Head lettuce—to determine the best date to sow, best fertilizer to use and most suitable cultural methods for the production of head lettuce.
3. Onions—control of onion maggot (various treatments).
4. Celery—date of planting for best yields.
5. Asparagus—seed vs. portions of old crowns for early production of shoots.

Small Fruits—

1. Handling of currant cuttings whereby the largest proportion will strike roots.

Tree Fruits—

1. Control of plum pocket and aphis.
2. Pruning and manuring hardy standard apple varieties with a view to overcoming winter injury and hastening time of coming into bearing.

Poultry—

1. Pedigree breeding for egg production.
2. Best hatching date for egg production.
3. Egg laying contest (registration).
4. Feeding for fertility, hatchability and viability with supplementary feeds.
5. Breeding for standard type and egg production.
6. Improved quality of poultry in district.

Suggested Project to be Conducted by the Poultry Department, Experimental Farm, Indian Head

1. Breeding for fertility, hatchability and viability—hens vs. pullets.

Mr. ROSS (Moose Jaw): Before the item carries I should like to make a statement with regard to the experimental farm in Ottawa. I have spent considerable time at the experimental farm since coming here, and I have found that there is not nearly enough land there to carry on the work of the farm properly. I think that in this House we are not voting nearly enough money for agriculture. Agriculture is responsible for the employment of over half the people of Canada, feeds all of them, and we vote only $6,000,000 for it in our estimates. At the experimental farm in Ottawa we are using for field crops only about 120 acres all told. That is not nearly enough to do the work that should be done by the experimenters there. For instance, the animal husbandry department has only 23 acres, and they have over 200 head of cattle for dairy purposes, 100 head of beef cattle, over 150 head of swine and a great many sheep to look after. Practically every department at the experimental farm is over-crowded, and proper work cannot be done. The work at the experimental farm has been responsible for enriching the Dominion of Canada by hundreds of millions of dollars in the last few years, because they have been able to find new kinds of grain, new kinds of fruit and by breeding and selection to improve all kinds of farm animals. The House should seriously consider, at least another year, the buying of more land adjacent to the farm at Ottawa. I think that members of parliament, the Minister of Agriculture and the Prime Minister should know that adjacent to the experimental farm at Indian Head, Saskatchewan, a man named William Patterson has lived for a great many years on a beautiful section of land. He has good buildings, good stock and machinery. Mr. Patterson has turned over to the Dominion government that entire piece of land, with all equipment, at a rental of $1,000 a year, and is providing that upon his death it shall revert to the government, free, for experimental purposes. He has seen the work that has been carried on at the experimental farm and has been so strongly impressed by it that, as I say, he is leaving his entire fortune in the shape of a section of land in Saskatchewan, worth at least $100 per acre, to the government. I think the government and the House of Commons should in some way recognize the gift of Mr. Patterson of Indian Head.

I would like, as the hon. member for Qu'Appelle has done, to place upon Hansard a report giving the exact use of all the land at the experimental farm in Ottawa to show how crowded they are for experimental work there.

Mr. STEVENS: I do not wish to object, but I notice a growing habit of placing things on Hansard without members knowing what

they are. If this is an official report prepared by the department, containing official information, I see no objection, but it is decidedly bad practice to get the habit of placing things on Hansard of which the House has no knowledge.

Mr. ROSS (Moose Jaw): This is a typewritten report of information I gathered at the experimental farm in regard to the number of acres used for each class of work. Am I to be allowed to put it on Hansard?

The CHAIRMAN (Mr. Power): I think the point raised by the hon. member for Vancouver Centre (Mr. Stevens) is well taken. There has been a growing practice of placing on Hansard long citations which really should not be incorporated in the debates, and unless this is an official document I am afraid the hon. member will have to refrain from placing it on Hansard.

Mr. JELLIFF: What is the reason for the increase of $160,000 in this vote?

Mr. MOTHERWELL: Our vote last year proved too small owing partly to the fact that it started too small and also to the inclement weather which made our field and harvest operations more expensive. At least $60,000 of this increase is already spent. The preceding government started nine new experimental farms; its predecessor started eight, but we take the ground that before we are justified in establishing any more of these farms we should properly equip the 22 farms we already have. I think that policy is supported by the country generally. As the work of these farms has increased so their acreage has been added to with the exception of the Lethbridge farm, which I think the hon. member for that district has in mind in wondering what I am doing with all this money. For a number of years we have intended to extend the Lethbridge farm by 100 acres in order to carry out experiments in irrigation. There are 100 acres of land adjoining, but the owner is holding it at $175 an acre, which I consider too high for prairie land, although a pipe line crosses it and the water privileges add considerably to the value. It is quite possible that we will have to take proceedings in the Exchequer court. That is the principal reason for the delay in acquiring the land. There is another expenditure we should like to make. Tobacco growing has become so profitable, due to the acceptability of our crop in the British market, that we have felt warranted in encouraging its growth in Quebec, in western Ontario and in the Okanagan valley. In Montcalm-L'Assomption there is a small tobacco farm and we have been negotiating for a parcel of land to extend the farm, but there too the price is, I think, rather high. Of course, when the government wants a piece of land it does not get less in value in the opinion of the owner. Probably in this case also we shall have to go to the Exchequer court.

Now as to the central experimental farm. Forty years ago it consisted of 460 acres, but in the intervening years a little piece has been taken off for this and for that, until the farm land proper now consists of only three fields of forty acres each. The result is that our farming operations are not sufficient to carry the large head of stock there, most of which have to be kept in the stables all summer. I should like some additional land for this farm. We will never get it cheaper than it can be had to-day, and unless we get it soon we will not be able to get it at all. As a show proposition the farm is top-heavy, but it is very much below what it should be in regard to farm operations. We are putting up hay twelve miles away on the rifle ranges at a cost delivered at the farm of six dollars a ton—an absurdly high figure, and a practice which we could not commend to the farmers at large.

Mr. GARLAND (Carleton): I agree, Mr. Chairman, that the experimental farm should be extended by at least two or three hundred acres, which can be procured perhaps to better advantage now than at any other time. In regard to the increase of $160,000, is any of it to be given to improving the wages of the employees at the experimental farm in order to remove the present anomalous condition prevailing there? For instance, in a workshop at the farm you have carpenters working for the Public Works department at 56 cents an hour for a nine-hour day, while perhaps by their side you have carpenters of the same department doing the same work at 75 cents an hour for an eight-hour day. You can never have a contented service when the workmen are paid at different rates. Either one set of men are being paid too much or the other set are being paid too little. One carpenter will leave an hour ahead of another, and while he draws seventy-five cents an hour, his fellow workman, although he puts in an extra hour, is paid only fifty-six cents. More than that, the man receiving seventy-five cents an hour gets two weeks' holidays as compared with the statutory holidays which the other enjoys. That is something that should be looked into. Men working in other branches of the service, and who are not putting in so strenuous a time

as the employees of the experimental farm, have had their salaries increased from time to time, but the men on the experimental farm are ill paid in comparison. I consider they are entitled to equal treatment with the others. I would support the minister in any effort he might make to have the farm area increased. Now is the time to do this. The district is growing in the western section and it will not be long before the government will be unable to procure any land at all.

Mr. JELLIFF: The minister is thoroughly well aware that the people of Lethbridge are anxious to have the experimental farm there extended. During the last two or three years he has been importuned by the superintendent of the farm, Mr. Fairfield, as well as by the Lethbridge Board of Trade and other persons in official capacity in the constituency to increase the area of the farm. I do not believe that the minister fully appreciates the great value of that farm and the necessity that exists for experimentation on a larger scale, than is possible at the present time. There are in the neighbourhood of 250,000 acres of land under irrigation, served to a greater or less extent by the farm. A number of irrigation districts have been formed in that vicinity in the last few years. The farmers who have created these districts have hypothecated their lands to the extent of $30, $40 and $50 an acre to obtain the necessary water to redeem the land and render it a dependable source of income. If therefore, there is an experimental farm in this country whose activities should be extended to meet the exigencies of the situation it is that Lethbridge farm. The minister seems to object on the ground that the price of the additional land is too high. As I recollect, the first price asked was $200 an acre. A desirable tract of land of 100 acres lies right across the road from the farm. The superintendent of the farm would like to annex it and it is the most convenient piece of land that could be secured anywhere adjacent to the farm itself. It is under irrigation. The land is owned by the Canadian Pacific Railway and has been used for the purpose of raising hay to supply their own needs in that district. It is one of the most valuable tracts of land in that vicinity and the company is not asking so high a price as is demanded for lands not equally well located and not so well adapted for the purpose. The minister said there had been a reduction of $25 an acre due to the intercession of the superintendent of the Lethbridge experimental farm. I understand that the price has been reduced now to $150 an acre, which is moderate indeed. I hope the minister will take the matter into consideration and endeavour to obtain the additional land for the purposes of the farm. The farm at Lethbridge has a dual purpose to serve and its problems are more difficult than those in connection with any other farm in the Dominion. This is explained by the fact that the district is semi-arid and provision must be made for experimentation both in the dry farming and irrigation processes. The additional land is absolutely necessary for experimentation especially in connection with the raising of forage crops. It is wanted particularly to aid the farmers in the irrigated districts in the production of these crops. It is also necessary to instruct them in the economical and efficient use of water. In connection with the development of the dairy industry it is of vital importance. I cannot urge the need of this land too strongly. I do not feel like letting the item go through until the minister promises to buy that land. Two or three years ago there was an item in the estimates of $20,000 for its purchase, but the land was not secured. The price was then $200 an acre, whereas to-day it can be obtained at $150, a lower price than is asked for other land in the neighbourhood suitable for the purpose. I hope the minister will make the purchase.

Mr. MOTHERWELL: Does my hon. friend say it can be got for $150 an acre?

Mr. JELLIFF: Yes. I have a letter here from Mr. Mackay the manager of one of the banks of Lethbridge, and president of the Lethbridge Board of Trade, in which he intimates that the land is now obtainable at that price.

Mr. MOTHERWELL: It was the intention of my officials to have another interview with the Canadian Pacific Railway authorities who own the land. The officials were under the impression that the price was still $175.

Mr. JELLIFF: Perhaps I had better read Mr. Mackay's letter:

Dear Mr. JELLIFF,

As you may have heard, a short time ago the board of trade here took up with the government the matter of purchasing from the Canadian Pacific Railway an additional hundred acres of irrigated land for the use of the Dominion experimental farm. It appears that this land was originally offered by the C. P. R. for $200, an acre and that on two occasions thereafter this figure was reduced by $25, so that the price now stands at $150 per acre but the Dominion government evidently feel that this price is still too high. The land in question adjoins the gaol farm and is directly across the road from the experimental farm buildings.

It is part of what is known as the C.P.R. hay farm and is generally considered to be the choicest piece of irrigated land in the district.

I had an opportunity of talking with Mr. S. J. Porter of the C. P. R. Natural Resources Department at Calgary a few days ago. Mr. Porter was formerly in charge of the Natural Resources Department in Lethbridge and is familiar with the foregoing details mentioned in this letter. I endeavored to have him recommend to the company that the price of this land be reduced to $125 an acre but Mr. Porter stated that he could not make such a recommendation as he was firmly of the opinion that the land was worth more than $150 an acre, that the C. P. R. could undoubtedly dispose of it at a figure close to $200 an acre and from the tenor of the conversation I judged that they had not been active in their endeavors to sell it in view of their knowledge of the government's desire to acquire it.

Mr. Buchanan has, I understand, had this matter up with the minister and I would appreciate it greatly if you would interview him on our behalf.

The farm as it stands is not sufficiently large to carry on feed lot experiments which Mr. Fairfield would like to commence this year. With the increase in irrigation in this district it is hoped that there will be a steady growth in the feeding of cattle, sheep and hogs and it is particularly with regard to this class of agricultural work that the additional acreage is required.

With kindest regards, I am,

Yours sincerely,

E. E. MACKAY,
President.

I trust that the minister will find it possible to buy this land.

Mr. EVANS: I see that there is an increase of $638,000 in agricultural estimates. I wonder whether that increase is warranted at this time. While the minister's explanation appears reasonable it is given altogether from the departmental standpoint. I think it is time somebody undertook to speak from the point of view of the actual farmer himself. I would like to know if agriculture was ever in a worse condition than it is at present, even though we are increasing the experimental work year by year. Not only do we have to go to other countries to find settlers to take up our vacant lands in the west, but farms are lying idle even in the eastern provinces. With all the expense of this experimental work, agriculture does not seem to be in the prosperous state we think it should be. There are vacant farms here in Ontario close to the cities; in fact I do not know but what we could have had a Duncan report on almost any corner or county in Ontario. I am sorry to see that the department this year is cutting down on the distribution of thoroughbred animals. The real work of the farm does not seem to prosper, but the overhead with regard to experimental work increases from year to year. This is not as it should be, but somehow the actual farmer is not receiving the benefit of these expenditures. I am not sure but what the minister has made his explanation entirely from a departmental point of view.

Mr. BARBER: I would like to ask the minister if there is anything provided in this vote for the experimental farm at Agassiz. That farm is very badly in need of improvements; it is a very important farm and has established many records both in stock and poultry. On my last visit there it was sadly in need of money; the buildings are old and in need of repairs, and I would like to know if anything is included in this item for that purpose.

Mr. MOTHERWELL: Not in this vote, but in the public works vote there is an item for new buildings and repairs. There is a small amount for repairs and something like $6,000 for a horticultural building and a cottage.

Miss MACPHAIL: I would like to support the remarks of the hon. member for Lethbridge (Mr. Jelliff). I believe if we are going to spend money in extending experimental farms or if we are going to buy more land for experimental purposes it should be done at Lethbridge, which is in a very arid region. The farmers of that district are not used to farming under such conditions, and I think here in Ontario there is no need of extending the amount of land we now hold, since we have a large experimental farm at Ottawa and another at Guelph. I think we should spend the money where it would be of the greatest use to the producer. I think the hon. member for Rosetown (Mr. Evans) told the truth when he said that sometimes the people who are producing in Canada feel that they reap very little benefit from the money spent under the vote we are now discussing. By giving way to the request of the hon. member for Lethbridge I believe the producers in the province of Alberta would be very well served, and as one hon. member for Ontario I would like to urge upon the government that they spend any additional money on new land where it is most needed, which I feel to be in Lethbridge rather than in Ottawa.

Mr. MOTHERWELL: The leaven is already working in the Minister of Agriculture with respect to the Lethbridge farm. If that farm can be secured for $150 an acre we will buy it, although it has to go before the Treasury Board, of course.

Mr. JELLIFF: And we will give the minister our entire support.

Mr. BRADY: Before this item passes I would like to draw the attention of the minister to the great importance and the great need of continuing to add to the experimental farms of Canada. I think the minister has said that the increase in these farms has practically ceased since 1920, and the time has now come for the Department of Agriculture to consider the advisability of establishing another experimental farm in northern British Columbia. As the minister well knows, in northern British Columbia we have a great new country which claims the right of consideration. The experimental farms at Agassiz and Summerland are serving parts of British Columbia which are absolutely different in climate and in other conditions from other parts of British Columbia. The minister knows that the area to which I refer has become very prominent lately because of the fact that at the Chicago exhibition the first prize for timothy seed for the whole of the North American continent was won by a farmer of that district; furthermore, at the Victoria agricultural show in 1926 this district took most of the prizes for root crops. If the ex-Minister of Agriculture (Mr. Tolmie) had had the opportunity now in the power of the present minister, I know that an experimental farm in northern British Columbia would be a reality to-day; although I am not an expert on experimental farms I do know what the farmers of northern British Columbia need, and I know what experimental farms have done already in developing agriculture, live stock and poultry to that high state of perfection which has made Canada prominent in the eyes of the world. I would like the genial Minister of Agriculture to turn his eyes towards northern British Columbia which one day will take its place in wealth and in its contributions to Canada alongside of the more established parts of this country—I mean Ontario and Quebec. I hope, Mr. Chairman, that the Minister of Agriculture will not forget this district, even though the session is now almost at an end.

Mr. TOLMIE: I would like to take just a moment to endorse the demand for more acreage in connection with the central experimental farm at Ottawa. It is impossible to carry on with such a restricted area to the very best advantage. I also want to endorse what the last speaker said with regard to that great inland empire of northern British Columbia. That country has a rich soil and a sufficient rain fall, and is particularly well suited to mixed farming of all kinds, and in that northern section there is not an experimental farm for a distance of some two hundred miles. This would be a tremendous help to the farmers of that section, particularly those newly settling there, and I would like to give this request my strong endorsation. The minister or the deputy will remember that along in 1920 or 1921 we had this area looked over by some of the experts of the department, and they decided on that occasion that that section should have an experimental farm if it was to progress in the manner which was to be desired.

Mr. GOTT: Has the government purchased or is it purchasing land in the city of Oshawa or in that vicinity for the purpose of establishing an experimental farm?

Mr. MOTHERWELL: No.

Mr. ROSS (Kingston): What research work is being carried on at the central farm in conjunction with the research council?

Mr. MOTHERWELL: We are carrying on experimental work at Winnipeg in connection with rust investigation, particularly with respect to the discovery of some variety of grain that will be immune from the ravages of rust. We are also conducting research work in the laboratory in Hull in connection with the Health of Animals branch.

Mr. ROSS (Kingston): Is that along the line of the treatment or prevention of diseases?

Mr. MOTHERWELL: Tuberculosis in cattle and, in fact, in all domestic animals and the prevention of it.

Mr. ROSS (Kingston): Is that all the research work that is being done?

Mr. MOTHERWELL: I have a list of the work that is being conducted at the new laboratory in Hull. The following tubercular problems have been undertaken and research work with regard to them is in progress. We have not yet moved into the new building and at present we have facilities only to the extent of a room about 10 by 12, the drawing room of a private citizen there, in which the research worker himself is living.

Tuberculosis research has been in progress for many years in the laboratories of the Health of Animals branch at Ottawa, Hull and Lethbridge.

This work has been given more particular attention at the research station at Hull and will be carried on more extensively as soon as better facilities are available upon the completion of the new building now under construction at that station.

The following tuberculosis problems have been undertaken and research work with regard to them is in progress:—

1. Vaccination with a view to immunizing healthy cattle against infection.

2. The relations of the human and avian types of tubercle bacilli to tuberculin reaction in cattle.

3. The possibility of the interchangeability of infection among man, swine, poultry and cattle.

4. The comparative study of human, bovine and avian types of tubercle bacilli, and of the infection and lesions produced in different species of animals.

5. The nature and significance of the so-called "skin tuberculosis of cattle".

6. The standardization of tuberculin is maintained and efforts are being made to isolate the active principle by absorption and careful chemical separation, so that the different fractions may be studied. If the active principle is isolated some of the known defects of tuberculin might be eliminated.

7. Complement-fixation and serological tests as compared with, and as an auxiliary to the tuberculin test for diagnostic purposes.

8. The study of immunological reactions, tuberculosis antigens and anti-substances; resistance to re-infection; production of anti-tuberculosis and immune serums.

We have stables there and all sorts of rabbits, guinea pigs and such animals as are associated with work of that kind. When we have our new laboratory finished and equipped in August, we hope, we shall have one of the best laboratories on the continent.

Mr. ROSS (Kingston): What difference is there in the work being done at the experimental farm at Kapuskasing and that done at the provincial farm at Monteith? I wondered if there was an overlapping of work or two distinct branches.

Mr. MOTHERWELL: The Monteith farm is a residential school with a farm attached, something like the one at Kemptville. In Alberta there are similar farms. Very little experimental work is being done. The work is largely scholastic in conjunction with some practical work.

Mr. KENNEDY: Is any of this vote for the extension of the experimental farm system in the Peace river country?

Mr. MOTHERWELL: As my hon. friend knows we have not a full-fledged farm there. It is a substation.

Mr. KENNEDY: Is it the intention to extend it?

[Mr. Motherwell.]

Mr. MOTHERWELL: No, but we intend to put in three demonstration plots if we can secure suitable men for the work, one at McLennan junction, one at Waterhole close to my hon. friend's home, and one at Spirit River. Those places are widely separated.

Mr. KENNEDY: Is the land purchased for them?

Mr. MOTHERWELL: No, just rented from the owner, 40 acres for each plot.

Mr. FANSHER (Lambton): While most of the members seemed to be in favour of acquiring additional land for experimental farms, I do not think there is a proper balance between the money expended in connection with experimental farms and the experiments conducted on those farms and the money expended in order to get across to the farmers the facts that are discovered. This vote indicates that we are going to acquire more land and to do further experimentation, but to my mind it will be largely used in supplying bulletins which will be sent out to the farmers and in a large measure the real discoveries that are made at these farms and stations are not of as practical benefit as they ought to be to the actual dirt farmers. The greater proportion of the money should be devoted to the marketing end of this business. Any big business, no matter whether it is agricultural or otherwise pays a good deal of attention to the marketing of its product. Any manufacturing establishment devotes considerable attention to the marketing of its product. We have paid too much attention to the productive end of agriculture, to producing greater yields and better varieties, which is all very well, but we have fallen down on the marketing end of the proposition. Any increases that should be made in connection with the Department of Agriculture for the next few years should be along the line of the marketing of farm products, and there should be established in connection with the department a branch which would have this for its study. I am convinced that a great deal of the useful work that is done by experimental stations is not fully understood by farmers and that something should be done to bring the work more closely under their observation and attention.

Item agreed to.

Health of Animals, administration of the Animals Contagious Diseases Act and Meat and Foods Act, and necessary buildings, $2,155,000.

Mr. LUCAS: Will the minister explain the increase of $250,000?

Mr. MOTHERWELL: As the House knows, we have been doing very active work in connection with what we call restricted areas where we test all the cattle in a given area, choosing as far as possible an area with natural boundaries so as to avoid the danger of reinfecting as much as possible. I think I have recited the areas before, but since the last time we were discussing them, we have established a small area in New Brunswick ten or twelve miles out of Fredericton, on an upland piece of ground which is largely isolated, and where we have 2,640 head of cattle of high quality. Out of that number, we discovered only twenty reactors on the first test. That area which we have established in New Brunswick will, I think, be the means of developing the idea throughout the entire province. There are, of course, many advantages in having animals free from this disease. Not only is their product free, but the animals themselves when free from this disease are much easier to sell, because cattle that have passed this test are always in greater demand.

We have also on the recommendation of the Minister of Agriculture for Ontario agreed to start the first area in this province in Prince Edward county, in what is practically an island there is a canal that practically makes an island of that area. We always try to select sites of this nature, in conjunction with the provincial authorities, where we will have a natural boundary so as to avoid the danger of reinfecting other cattle. That is why we chose Prince Edward Island two years ago, because it was entirely surrounded by water, and that is why we have chosen Prince Edward county in Ontario, which is practically an island. We propose to establish an area there in the course of a month or two, possibly before the cattle are on grass.

Mr. LUCAS: How many restricted areas are there?

Mr. MOTHERWELL: When this area in Ontario is established, there will be restricted areas in all the provinces except Alberta and Nova Scotia.

Mr. LUCAS: Is this the main policy the government is carrying on in regard to stamping out tuberculosis?

Mr. MOTHERWELL: No, we are carrying on the accredited herd system as well.

Mr. LUCAS: But is this the favourite policy of the government?

Mr. MOTHERWELL: I would not say it was the favourite policy. One policy reaches one class of people, that is the breeders of pure-breds and I might say that some people take the view that the accredited herd system is not so valuable because they say when you pick out a herd here and another one there, you leave all the intervening herds capable of reinfecting the cattle. They take the ground that whether the cattle are pure-breds or grades, the better way is to start an area and clean it all up. But I think it is a good policy as it stands. Both policies have their advantages, and we are trying to call attention to both. There are 2,710 accredited herds throughout Canada, and in course of being accredited 2,433 herds, making a total of 5,143. We are not extending, however what we call the municipal order in cities. We find we are not getting much satisfaction out of that because of the very common practice in herds contiguous to the cities of pasturing the cattle in common pastures and that means that we have to keep on retesting the cattle, which means a big bill of expense.

Mr. LUCAS: Does the minister think that once he has the country covered, we shall be able to stand this burden in connection with the matter of compensation? I placed some questions on the order paper some time ago as to the number of cattle slaughtered in connection with bovine tuberculosis and the amount of compensation paid, and since 1915 I find that over 73,000 cattle have been slaughtered, and $4,190,000 has been paid in compensation.

There is a very large body of opinion growing throughout the country that the policy which the government is carrying on is not the best policy for the elimination of bovine tuberculosis. I do not want in any way to deprecate the work that has been carried on by the department. I think they have been doing the best they can under the policies they have adopted, but I would just like to ask the minister if he thinks that the department is doing everything possible to develop new methods such as the production of immunizing vaccines. I might say we have four policies that are being followed by the government: the supervised herd policy, adopted in 1905; the municipal testing policy, adopted in 1914; the accredited herd policy, adopted in 1919, and the restricted area policy, adopted in 1923, showing that as time went on the government have been receiving new ideas and evolving new policies in dealing with this question. The point I want to make is this:

I think there are other systems to which the department might give attention, and which would be superior to the policies they are carrying on at the present time. I find, for instance, that the Alberta government has been carrying on a great deal of experimental work in connection with the vaccine developed by Calmette, and this work has been further carried on under the Alberta Tuberculosis Research Association. I should like to quote from the report of that committee of last year:

Since March, 1925, the tuberculosis research committee of the province of Alberta has been conducting experiments (assisted by a grant from the National Research Council) with Calmette's B.C.G. vaccine—live attenuated tubercle bacilli—with the object of ascertaining its value as a preventive of tuberculosis in bovines. While the results of these experiments have been encouraging the evidence is not, as yet, sufficient to form a basis for final conclusions, although it may be said that the vaccine does not appear to be harmful to the animals vaccinated, and the resistance of vaccinated animals seems to be appreciably increased. Further, experiments are in progress and it is hoped before the year is out definite conclusions may be reached. It is recognized that this procedure is a considerable advance over methods which have been advocated and experimented upon up to the present time. The work of the Alberta committee on this vaccine is, as far as is known, the most extensive in Canada.

I might say also that both in Great Britain and the United States they are recognizing that a vaccine can be developed that will play a very important part in this work. I quote from an article on the prevention of tuberculosis in cattle by Nathan Raw, C.M.G., M.D., M.P., a member of the British House of Commons.

It is estimated that a million dairy cows in Great Britain are at present affected with tuberculosis, of which about five per cent are affected in the udder, rendering these cows extremely dangerous to the public health.

If all these cattle were destroyed to-morrow, and full compensation given to the owners, it would not solve the problem, as another generation of calves is coming on, many of them already infected, either by living in contact with their mothers, or infected in the early weeks or months of life by drinking the milk of a tuberculous cow.

The only solution to the problem is prevention of infection.

Then we have a memorandum from Doctor W. C. White, of Washington. I am not going to weary the committee by reading all of this long letter, but they are proceeding very much on the same principle as we are in Canada, that is slaughter and compensation. He says:

In cattle I believe the process will be by vaccination and by pasteurization of food products and not by the fearfully wasteful method of condemnation and destruction of the present time.

I ask the minister just what work they are doing across the river at Hull, in regard to this research investigation, and what success they are having. Is he doing any practical work with animals or just laboratory work?

Mr. MOTHERWELL: I have already given, in answer to a question by the hon. member for Kingston, a list of the research work, or nearly the whole of the research work. We have two stables over in Hull pretty well filled with live animals, calves, grown cows and guinea pigs, and so on. I think it would be worth my hon. friend's while to go over there and see it, because it is very interesting. When we get through the seven restricted areas with three of them with less than one per cent of reactors in the first test we are persuaded it is not so expensive a method as it would be in the old country and is in the United States. In the case of Prince Edward Island, Last Mountain in Saskatchewan and the small area in New Brunswick, the reactors on first test all came below one per cent. The time to get the disease is when it is in the early stages. If my hon. friend has any better method we should like to know it. We hope to develop a vaccine in the new laboratory that will act as a preventive, so doing away with the necessity for adopting the slaughter cure. I believe in time we will be able to get good results, but this Calmette vaccine has not as yet attained that end. No veterinarian will advocate that as a cure. The best they will do is to say that it may benefit for a year or two, but that is not satisfactory. The research workers are coming nearer the solution all the time. In the meantime we are making use of the best methods that are at our disposal to cope with this matter.

Mr. KAISER: I would like to draw the attention of the minister to the fact that in my constituency we are concerned with the important high class breeding animals, although we are not a dairying country. Our breeders complain that the embargo placed on the importation of breeding cattle from Scotland and England is too rigid. That embargo was put in force owing to the fact that in England a few years ago there was an outbreak of the foot and mouth disease. In England they isolated the sections in which the disease existed. Last month this restriction was lifted, because in England and in Scotland

they considered that there was no danger of the spread of the disease over there. Our people think that the time has come when the department should ease up and permit our breeders to import high-class stock from the sections of the old country from which it would be perfectly safe to bring them. I point out this peculiar situation. I am told by the department here that unless six months have elapsed after an outbreak from any cause in the old country they will not permit high-class cattle to be brought from England to Canada. Why should we be so rigid when the United States only insist upon sixty days? I will read a short paragraph from a letter which I received from the chief of the Bureau of Agriculture in Washington. It says:

> It is a rule of this department not to permit the importation of domestic live stock from any country where the foot and mouth disease exists until sixty days have elapsed after an outbreak.

What we cannot understand is this: If the United States permit the importation of these animals sixty days after an outbreak, why do we in Canada insist upon a period of six months? I think the government should act in conformity with other countries and not be too rigid in this matter in which many of our breeders are concerned.

Mr. HOWARD: I cannot allow this opportunity to pass, even though it is late, without making a few remarks to the minister. I am heartily in accord with this restricted area development throughout Canada, and it is especially important to the section I am interested in, because already the department has an area reaching between the American boundary and the St. Lawrence river as far as the Richelieu river, which is now a practically clean area. I am glad to see this increased estimate of $250,000 this year, and I hope the money will be used to continue that restricted area, and if not to restrict it, throughout the entire province make it so as to cover the special section around Sherbrooke, Shefford, Stanstead, Richmond and Wolfe, Arthabaska, and so forth. The reason that this area should have preference over other areas is that of all the cream exported from Canada to the United States, eighty-five per cent comes from that section of the country. There are more accredited herds in that district than in any other district throughout Canada, and if there is one section more than any other where the restricted area should be continued and pushed ahead, it should be this section. In this district there are 90,000 head of cattle. If you deduct from that 90,000 the accredited herds, about 20,000, it leaves about 70,000 animals which have not been tested. Under that test only about ten per cent will go down, which means about 7,000 animals. The government would be called upon to pay $35 apiece or an expenditure of approximately $250,000 to make this section absolutely clean. By making this a restricted area you would enable the farmers to ship their cream into the highest market at all times even if that market was the United States. We have throughout this section of Quebec the provincial agronomists, a selected capable group of men who are dealing with the farmers in that section, and are giving a course of instruction second to none in the world. These men are willing to co-operate with the federal department and to get a petition signed requesting the government to complete this within the next two years at the outside. I sincerely hope the $250,000 increase is for this purpose.

Mr. MOTHERWELL: Part of this vote will go to extend the Chateauguay-Huntingdon restricted area to the Richelieu river, which will make it contiguous to the other counties referred to by the member for Sherbrooke. Then the next step will be in the direction indicated. Replying to the hon. member for Ontario (Mr. Kaiser), I am afraid we will still have to be open to the charge of being too severe in our restrictions against the admission of cattle from any country where foot and mouth disease is prevalent in that country. We would much prefer to err on being too strict in this respect rather than too lenient. Besides within the past week we have had reported a fresh outbreak from England.

Mr. BARBER: Mr. Chairman, I think the Fraser valley is about completed as a restricted area. I take exception to the criticism of the hon. member for Camrose (Mr. Lucas) in regard to the amount of compensation paid. It may seem large in the aggregate, but if he had lost his entire herd and received $30 compensation per head, and afterwards had to replace his stock at $125 to $150 a head, I do not think he would object to the amount of compensation paid. I heartily support this vote.

Mr. LUCAS: The hon. member for Fraser Valley (Mr. Barber) misses my point entirely. I was not criticizing the amount of money paid in compensation. I was trying to get a better system. If we can do so I think it is the duty of this House and the country to try to evolve such a system. I agree that this is one of the most important subjects we have

to deal with in the country, because I know there is a very large body of opinion that believes the present system is not doing sufficiently good work for the money it costs. I think if this $250,000 were turned over to the National Research Council they might in a very short time formulate a system that would give much better results. The minister stated that the immunizing agent is effective for eighteen months. This being so, would it not be better to use the vaccine every eighteen months rather than slaughter the cattle?

Mr. ROWE: Some time ago I asked the minister for information regarding compensation paid to one Andrew Oberle of Walkerton, Ontario, for the slaughter of swine. I received the papers only to-day, and as they comprise a bundle of 182 pages it has been almost impossible for me to peruse them closely. I notice, however, that the deputy minister on December 3, 1925, wrote to Oberle saying that he and the minister both felt that the department was under no obligation whatever except for the price of sixteen hogs which had been killed by mistake by the inspector, and therefore if he did not accept a cheque for $240 the account would be closed. On the following day a cheque for this amount was sent to Oberle. But I find that on February 24 of this year an order in council was passed to compensate him to the extent of $1,910. Under whose recommendation was this order in council passed?

Mr. MOTHERWELL: The responsibility for paying that was placed upon me by the House. It appeared in the estimates just the same as a number of small payments appear this year in the main estimates and in the supplementaries. These items cannot be paid under the law because the animals sometimes die on the way to be slaughtered. We changed our decision after reviewing the case. As the hon. member for Victoria, B.C., knows, there are mild types of hog cholera which one man will diagnose as such, while another will be of opinion that it is not hog cholera. This case became more complicated by the local authorities calling in veterinarians, and Dr. McGillivray of Guelph College diagnosed the trouble as cholera. But our men did not so diagnose it. When veterinarians differ our policy is to give the man who suffers the loss the benefit of the doubt.

Mr. ROWE: I do not think the minister has made the case clear in view of much of the evidence that I find in this file. It seems rather strange that Oberle lost so many hogs. He is an experienced hog dealer and feeder, and prior to any inspector from the department visiting his farm he had lost one hundred hogs that had not been reported to the department at all. That, I understand, was before May 1 last year. There is no doubt that he had been turning over a large number of hogs because on June 12 an inspector found 260 hogs on his farm. On June 25 the department received a telegram asking that an inspector be sent to the farm and that he, Oberle, had only 20 hogs left out of 300. On June 29 we find an inspector arrived and found 283. Mr. Nichols, the inspector, slaughtered a couple of hogs and later another hog to ascertain the trouble, and he was absolutely convinced there was no evidence of hog cholera, after sending the carcasses to headquarters for examination. The inspector visited the farm on July 19 and found only 16 hogs there. Oberle had lost 47 hogs in one interval and 49 in the other. Oberle was doing an extensive business and none of the hogs were kept on the farm very long. The inspector's report shows that Oberle purchased from fourteen different farmers, and the investigation demonstrated that none of those farmers' hogs were infected. During all this time Oberle was allowed to ship hogs, and he sold 182 and another shipment of 142 to the packing houses in Toronto. No quarantine was imposed on his farm. Everyone who understands anything about such a fatal disease as hog cholera will realize that if these hogs were not in quarantine some other farmers in the district would have had their animals infected. But we find that Mr. Oberle continued to conduct his business. The veterinary director general in his report stated that had Mr. Oberle followed the advice of Mr. Nichols he would have lost scarcely any hogs. The fault was due to improper feeding; he was giving the hogs tankage, slaughterhouse offal and buttermilk which was altogether unfit for them. It is rather strange that the district inspector, Mr. Watson the chief pathologist, Doctor Hilton, the veterinary director general and others, being of the opinion that there was absolutely no sign of cholera, the department should have undergone such a change of heart as to pay $1,910 instead of $240 which they had agreed upon long before. The minister says that there were evidences of hog cholera, but according to his letter he forwarded the cheque of $250 as payment in full for the sixteen hogs that were killed in error. He admits that there was no cholera, because, if there was, why should he pay $250 "in full"? Under the Animals Contagious Diseases Act, wherever cholera is evident only two-thirds of the value of the animals slaughtered is paid, whereas in

this case the full value is given. It will readily be admitted that $15.60 on an average for 115 hogs is a good price for such animals as these. The department paid not only for sixteen hogs which admittedly should not have been killed, hogs that had no cholera, but there were ninety-six more that died and were paid for. I remember the Minister of Agriculture making the unconsciously humorous statement last year that these hogs had "all died on the road to death". Well, it seems they were a long time on the road to death, because they were dying all the way from June 12 to September 1. The minister declared that the reason the department paid for these hogs was that they had died before they could be slaughtered. If they died before they could be slaughtered it is evident that the department paid for hogs which the inspectors never saw. These hogs went to the dealer who was turning over hundreds of animals per month. Sometimes he would handle as many as 400. The act provides that no owner shall be reimbursed unless the hogs are slaughtered by order of one of the inspectors, but here we find ninety-six hogs being paid for in full although the inspector had never seen them. The inspector had only the word of the dealer that the hogs had died before they reached his place.

I cannot understand how the minister can claim that the hogs were suffering from cholera, because he knows that no such report was made by the inspector. The chief inspector of Ontario, the veterinary director general, and the pathologist took five of these hogs from Walkerton and examined them at headquarters and their report was that the hogs were not in good condition. They were not thrifty, there being evidence of undernourishment. They inoculated one hog with the blood of another to see whether cholera was present and they failed to infect any of these five animals. One of them died from pneumonia, and it was only after the other four had been inoculated with cholera germs that they succumbed. It was no wonder therefore that Mr. Watson reported no signs of hog cholera in these animals. They even brought three new experimental hogs and injected into them the blood from the hogs taken from Walkerton, and they failed to infect any of these three with cholera. Nevertheless, in face of all these experiments which could not reveal one trace of cholera, we find the department paying not only for the sixteen animals slaughtered by mistake, but for ninety-five others which the inspector never saw.

Mr. MOTHERWELL: Yes, there was one.

Mr. McGIBBON: The minister owes the committee an explanation.

Mr. MOTHERWELL: I have given one. My hon. friend seems to think there is something strange about the matter.

Mr. McGIBBON: There is something strange.

Mr. MOTHERWELL: There is nothing strange about two diagnoses about the same trouble. Someone has to decide and we made the best decision we could. We had the agricultural college of the Ontario government on the side of one of our veterinarians, while there were two other veterinarians on the other side, and we arrived at the soundest decision possible in the light of all the circumstances. Where there is any doubt in a matter of this kind the preference is always given to the man whose property is at stake. My hon. friend has played baseball and he knows that in a doubtful decision the base runner gets the preference. I do not see anything strange about it.

Mr. ROWE: I appreciate the minister's explanation and I think his reference to baseball is rather appropriate. In this instance Mr. Oberle was playing shortstop, because so far as I can see he has got favours which nobody else has enjoyed. While there was a difference of opinion I do not think that the payment for all these hogs can be justified. I would not criticize the minister for paying for the sixteen hogs slaughtered by mistake. It was purely a mistake, as the minister admits. The deputy minister acknowledges that too, as do the chief pathologist and the veterinary director general. No one would be so critical as to find very much fault over a mistake. At the same time it is difficult to understand why the department should pay for ninety-five hogs which there is not the slightest evidence to show had been inspected. We have not the slightest trace of any evidence that the inspector had looked at one of them. The minister will not deny that forty-seven of them died between June 12 and June 29, not one of them having been seen by the inspector; and between June 29 and July 14, when Inspector Tennant visited the farm, forty-nine more had died. Besides these there were three which Inspector Nichols killed and sixteen Inspector Tennant had slaughtered by mistake, making 115 in all. I contend that only 19 of these 115 hogs could properly have been paid for under the Contagious Diseases Act. The minister has not explained it at all, because I have not noticed in the 182 pages of evidence any mention that the inspector saw

one of the 96 hogs. He said that Mr. Oberle told him they had died in the interval, and all this correspondence was carried on by the hon. member for South Bruce and some members of the provincial legislature, on behalf of their friend Mr. Oberle. I feel that so far as these 96 hogs were concerned, the department have deviated considerably from the limitations of the Animal Contagious Diseases Act.

Mr. MOTHERWELL: I do not want to let my hon. friend go into his back townships and talk that kind of nonsense; that is what he is playing the game for.

Mr. ROWE: Mr. Chairman, I rise to a point of order.

Mr. MOTHERWELL: Just sit down for a moment.

Mr. ROWE: I was not prompted by any such motive as that of going into my back townships and talking nonsense. Therefore I claim that the Minister of Agriculture has no right to impute motive.

Mr. MOTHERWELL: The hon. member has no right to say that it is strange, or that I was playing favourites.

Mr. McGIBBON: Mr. Chairman, the hon. member rose to a point of order.

Mr. MOTHERWELL: I don't know Mr. Oberle from Adam.

The CHAIRMAN: I heard the point of order, and I do not think there is any point of order at all.

Mr. McGIBBON: Then give your decision, and do not sit there like a dummy.

Mr. MOTHERWELL: I never saw Mr. Oberle and if the hon. member will consult the gentleman sitting in front of him the hon. member for Victoria he will learn that this is not the only case in which there has been a difference of opinion in regard to diagnosis. Mr. George Alderson of Ingersoll, in South Oxford, had his case brought to my attention by a prominent Conservative who is not sitting in this House now. Lest the same fault befall my hon. friend, he might better leave well enough alone.

Mr. TOLMIE: What was the final diagnosis in this case? I have been listening but I did not hear that.

Mr. MOTHERWELL: Mr. McGillivray of the Guelph Agricultural College insisted to the last that it was cholera. One of our men also insisted that it was cholera, while two of them said it was not. I had to give a decision as between them, and I decided in favour of the man who lost the hogs, and would do so again.

Mr. McGIBBON: Will the Minister of Agriculture say that there was a diagnosis made of all those hogs which were paid for?

Mr. MOTHERWELL: The animals died, and that was sufficient. Some of them had cholera, and the presumption was that the others which died had the same trouble.

Mr. McGIBBON: It was merely presumptive evidence, with no proof at all?

Mr. ROWE: I did not intend to hold up this estimate for so long, Mr. Chairman, but in view of the explanation made by the minister the committee might be interested in hearing a letter written from the Veterinary Director General to the deputy minister, under date of May 27, 1926, which is as follows:

> I beg to acknowledge receipt of your letter of the 21st, instant, enclosing copy of a claim made by Mr. Andrew Oberle regarding compensation for fatalities among his hogs.
>
> In reply to your request in this connection I desire to first point out that Mr. Oberle shows in his statement of claim approximately one hundred more fatalities than those reported by our officers, and which I outlined in my letter to you of April 30, last.
>
> Special measures were taken in this case in an endeavour to demonstrate the existence of hog cholera infection, with negative results. The premises were not maintained under quarantine and still the disease did not spread through the district. I am consequently not in a position to change my opinion, which has been expressed on more than one occasion.
>
> The act which I am administering makes no provision for paying compensation for animals dying from diseases which it purports to control.
>
> The sole object of the act is to control diseases which are a menace to our live stock, and provision is only made for paying compensation for animals ordered slaughtered by our officers for the protection of other live stock owners. I am, therefore, of the opinion that Mr. Oberle will be receiving fair treatment in the circumstances if he is paid the full value of the sixteen hogs slaughtered by Inspector Tennant and for the three slaughtered for post mortem purposes by Inspector Nicholls. This would involve a payment of $270.

Item agreed to.

Salary and expenses of Agricultural Produce Marketing Agent in Great Britain, $15,000.

Mr. TOLMIE: I notice an increase of $5,000. What is the reason for that?

Mr. MOTHERWELL: He is doing more advertising, and I think he has a secretary now. His advertising is carried on not only

in the newspapers but my hon. friend may have noticed a despatch appearing in the press recently which stated that Mr. Wilson gave an all-Canadian dinner of all-Canadian products in the Hotel Cecil in London, to which he invited a large number of the trade to sample Canadian products fresh from Canada. This was a very good means of advertisement.

Mr. TOLMIE: Is this increase of $5,000 accounted for by expense or by an increase in salary?

Mr. MOTHERWELL: Mr. Wilson's salary has not been increased, with the exception of the statutory increase.

Mr. STIRLING: Will the minister see to it that Canada is represented on the Fruit Advisory Board by a fruit man? He will probably realize that Australia and Tasmania have three representatives on that board, all fruit men; New Zealand has a fruit man, South Africa has a fruit man, Great Britain has two fruit men while Canada, so far as I am aware, is represented by Mr. Wilson, who whatever his great knowledge of cheese may be is not a fruit man.

Mr. MOTHERWELL: When we get a sufficient vote we will consider that matter; I think we should remember just now that we have to creep before we walk.

Mr. STIRLING: I would like to remind the minister that we have an excellent fruit man in London now. Would it not be possible for Mr. Wilson to delegate to that gentleman his place on the Fruit Advisory Board?

Mr. MOTHERWELL: Does my hon. friend refer to Mr. Forsythe Smith?

Mr. STIRLING: Yes.

Mr. MOTHERWELL: I will think that over. I think he is in consultation with Mr. Wilson.

Item agreed to.

Fruit, including grant of $8,000 to the Canadian Horticultural Council, $230,000.

Mr. COOTE: Is the Canadian Horticultural Council that is mentioned as being the recipient of a grant of $8,000, the body that has appealed to the tariff board for an increase in the duty on fruits and vegetables?

Mr. MOTHERWELL: I think it is.

Mr. COOTE: Is it the policy of this Liberal government to finance bodies in Canada which are appealing for more protection? We should have some explanation.

Mr. MOTHERWELL: I do not think we could make one of the conditions of the grant that they must not appear before the tariff board.

Mr. COOTE: Is this to assist them in appearing before the tariff board?

Mr. MOTHERWELL: No, it is to assist them in carrying on their work. They have established in Canada a registration bureau for new plants and flowers. For instance, I might mention the MacIntosh apple. They register them just the way one would an animal. They are doing excellent work in that direction. The increase in the general vote is due to the shipping point inspection which costs $5 a car and which carries itself. This extra money will go back into the coffers of the Minister of Finance.

Item agreed to.

Seed, feed and fertilizer control, including grants to seed fairs, et cetera, $325,000.

Mr. COOTE: What is the explanation of the increase?

Mr. MACDONALD (Kings): I would like to ask the minister a question with regard to the inspection of seed potatoes and potatoes of grade A. We find that when a farmer is selling a carload of certified seed potatoes and he gets an inspector to give him a certificate covering the grade of those potatoes, he does not pay anything; the service is free. But if the same farmer or his neighbour is selling a carload of grade A potatoes and he wants a certificate covering the grade of those, he has to pay $5 a car for the inspection certificate. It seems hardly fair that the man who is getting the higher price for the certified seed potatoes should go scot-free, while the man who is selling grade A stock and getting the lower price has to pay a fee for the inspection certificate. I would like to suggest that both farmers should be put on the same basis in this respect. Has the minister ever considered this matter?

Mr. MOTHERWELL: We want to encourage the production of certified seed because it is a very valuable commodity. It is one of the chief sources of revenue from not only Prince Edward Island but the maritimes generally. If you are going to sell potatoes abroad in Virginia or elsewhere as certified seed potatoes, you must have them inspected and the government's certificate for them. That is obligatory and no fee is charged. The other is a purely commercial transaction. The potatoes are not what we call certified seed; they are table stock. The owners of this

stock want to sell their goods abroad, and the only way in which they can sell them to the best advantage is by having somebody examine them, see that they are of uniform variety—usually white is in the best demand—and that they have the government's certificate behind them. Those people are ready and offer to pay $5 a car for that service. The certificate is worth many times $5 to them for putting their goods on the market. We had requests from so many places in the maritimes for inspectors that we were not able to pick up enough men there for the work. This inspection is optional.

Mr. MACDONALD (Kings): First of all I do not consider the explanation at all logical, and further I should like to criticize very strongly the action of the department in that regard. In the first days of December last in Prince Edward Island every inspector with the exception of one to the east of Charlottetown went out of service and any dealer who had an order for a carload of potatoes loaded east of Charlottetown had to get an inspector from Charlottetown. The result was that orders had to be turned down because inspectors could not be secured. The trouble was not the matter of the $5 inspection fee, although I maintain there should not be such a discrimination between the growers. This is the situation. A farmer goes to work and grows, say a ten acre field of seed potatoes under inspection from certified seed, and he intends to sell them as certified seed. If he succeeds in passing all the inspection and his stock is all right, he gets the inspection certificate when he loads the stock on to the car, and his bags are tagged. This service costs him nothing. But supposing his stock fails to pass inspection, he will probably get 25 cents a bushel less for the stock and then he has to pay $5 for having it inspected. That is not fair.

Then there is the other feature. In December, January and February last, inspection could not be secured at all with the result that farmers or dealers wanting to sell carloads of table stock had to refuse orders which demanded inspection. With the situation as it is in Kings county, Prince Edward Island, where there is one train a day, how is one inspector from the centre of the province in Charlottetown going to serve the whole of the eastern part of that province. The situation is absolutely absurd. It puts out of business the people who want to sell potatoes under inspection. If they have orders for any grade of potatoes, they can not secure the inspection and consequently they have to turn down the orders. This is an important matter in Prince Edward Island and I would certainly very strongly urge the minister to give it his serious consideration.

Mr. MOTHERWELL: I am very glad there has been such a land office demand for these inspectors that we have not been able to supply my hon. friend with them in sufficient numbers. If we are going to put them in there with the speed with which he would like to have them, he must expect to pay something for their service because we do not pick them up for nothing. This is a purely commercial service which we are glad to see that he appreciates. During the rush we had twelve inspectors at work. I am informed by the deputy and by the hon. member for Queens (Mr. Sinclair) that during the winter there were always at least four inspectors on the island. They may not have all been in Charlottetown but they were doing work somewhere in Prince Edward Island. The only way to equalize the matter is to charge my hon. friend's customers for the service in connection with the certified seed potatoes and that will put both on a parity. We cannot afford to give the other service for nothing. If my hon. friend insists on equality of treatment, then we shall have to charge for the certified seed inspection also, a thing which we do not intend to do.

Mr. MACDONALD (Kings): I do not understand the minister and I cannot see how any other hon. member can understand him. I am not objecting to have the certified seed inspection free.

Mr. MOTHERWELL: But the hon. member is pleading for equality of treatment.

Mr. MACDONALD (Kings): The man who is receiving the lower price for his product should not be charged an inspection fee when the man who receives the higher price is not so charged. The minister says there were four inspectors on the island last year. I do not know how it is with my hon. friend from Queens county, but certainly conditions there are much better, because he has inspectors at Charlottetown and Summerside in his vicinity, but I say that the situation is absolutely impossible in Kings county under an inspection service where there is only one inspector in the city of Charlottetown who has to cover the whole of Kings county and the whole eastern half of Queens county. It is absolutely impossible, for it takes that one man two days to inspect two cars of potatoes. The situation is absurd, and the

result is that there is a great deal of trouble and difficulty, and consequent loss to the farmers.

I would suggest to the minister that an equality ought to be maintained between the growers of different classes of potatoes. There is no reason in the world why the man who is growing a high grade or a low grade potato should get his inspection free, while another grower raising another grade has to pay $5 for his inspection certificate. It is not fair, and that is the reason I object to it.

Mr. SINCLAIR (Queens): I am a little interested in this service to which my hon. friend from Kings refers. So far as the service which was given last year for the inspection of table stock is concerned, it was fairly satisfactory. At one period of the season when the large shipments were taking place before navigation closed, there were twelve inspectors at the service of the shippers in Prince Edward Island. When the middle of December came, eight of these inspectors were let out, but they were still always available for service from day to day if required, and were used by the day at times when they were required during the balance of the season. The inspectors were chosen from each of three counties, at least two from each county, which would make six, and the others were chosen from where they could best be secured for the purpose.

In regard to the cost of the inspection I may say that I and my colleague from Queens were waited on by shippers in Prince Edward Island in the early part of October, and were asked to try to provide this service. The shippers of potatoes particularly were desirous of having this service, and they themselves offered to pay a reasonable fee. The fee charged previous to that time was $5 a car when the certificate was given by the inspector. Before last year we were only in a position to inspect a few cars. Some were inspected before they went aboard the ferry, but during the last season most of the inspection was done where the cars were loaded, which was a more satisfactory inspection.

I think it would be a mistake to urge the minister to make a charge for the inspection of seed stock or for certifying seed potatoes. When you inspect potatoes for certification, you must inspect the growing crop twice during the season; you must also inspect the tuber after it is put in the pile, after the pile sweats, as it is termed, and later you must inspect the potatoes when they are in the bags ready for shipment before the tag is put on them. So it involves a series of inspections, and it is proving worth while not only to our people in the east but to Canada as a whole, because we have a growing industry in the producing of certified seed which is shipped to the United States, and which helps in a large measure to make favourable to Canada the balance of trade between Canada and the United States. It is a business to which I feel the Department of Agriculture should give every attention, and I do ask the minister not to think of making a charge at this time for the inspection of certified seed, because that is a growing industry and one that will mean a great deal to the maritime provinces and the eastern part of the province of Quebec, which is really the territory in Canada that will in the future supply seed potatoes for the southern growers.

Mr. MACDONALD (Kings): I do not understand the logic of the hon. member for Queens any better than I understand the logic of the minister. First of all, he has stated that several inspections are required for seed potatoes; at least two or three in the field in the growing season, then an inspection in bulk after harvesting, and a further inspection on being loaded on the cars. For all that service the seed potato grower pays absolutely nothing, and I agree with that; that is right. I am not asking that a charge should be made for that. But the fellow alongside of him who is growing table stock costs the department nothing up to the point when he wants his car inspected, and yet he has to pay a $5 fee if he has only one inspection.

There is another matter. The hon. member for Queens is not correct in stating that inspectors were available last fall. They were not. On the first of December every inspector in Kings county was taken off, as well as in eastern Queens, and not a single inspector was available after that date. At that time of the year we are shipping very heavily, especially during the first half of December, more particularly in the eastern part of the province, and it was a serious hardship for these inspectors to be all taken off last fall. I know the hon. member for Queens is stating what he thinks is right, but his statement is not correct, for I myself tried on several occasions to get the men who had been inspectors up to December 1 to inspect cars of potatoes, and they said, "No, we are off duty, we are not allowed to do it. The only man you can secure is in Charlottetown," and that is all there was. I am not joking about this matter. It is a very important matter, and I want to impress this strongly upon the minister. First there is the cost. I believe that the potato grower who is selling table stock

should be placed on a level with the man who is growing seed stock, and neither of them should have to pay a fee for their inspection. Secondly, the inspection should be reasonably available during the whole shipping season instead of being cut off on the first of December when the shipping season is not half over.

Mr. SINCLAIR (Queens): I must correct my hon. friend because we have had the inspectors during the whole season, and they are on yet.

Mr. MACDONALD (Kings): Just the one in Charlottetown.

Mr. SINCLAIR (Queens): During the whole season when shippers required inspection they had to apply to the head office in Charlottetown, which controlled the whole inspection service. At some times you might get inspectors out on the road to do the work, but the organization required that you had to apply to the head office in Charlottetown from where the inspectors were controlled.

I want to say another word to show just what it has meant to shippers in Prince Edward Island during the last year to have this inspection of our commercial stock. During this season, with the official certificate of grade attached to the shipping bill for our commercial potatoes, Prince Edward Island potatoes have commanded a premium in the Canadian markets of from ten to fifteen cents per ninety-pound bag as compared with potatoes grown in any other part of Canada, as you will find by referring to the market reports for November, December, January, February and March. My hon. friend who has spoken to-night is the first shipper I have heard complain about the inspection fee being charged for the certificate.

Mr. MACDONALD (Kings): I do not think my hon. friend knows what he is talking about. The inspection act has been in force in regard to potatoes going to Montreal and other markets for years. I want to tell my hon. friend one thing that he does not know, or he would not have made the remarks he did, and that is that there is not one car in ten inspected. They have the "Canada" A tag on them and they must be that grade, but the inspection does not give them that grade.

Mr. SINCLAIR (Queens): They do not have the inspector's tag.

Mr. MACDONALD (Kings): They did not need it.

[Mr. J. A. Macdonald.]

Mr. SINCLAIR (Queens): When they do not have the inspector's certificate they do not pay for it.

Mr. MACDONALD (Kings): My hon. friend spoke about inspection giving an added value of ten or fifteen cents a bag for potatoes.

Mr. MOTHERWELL: It is a voluntary service, and you do not need to accept it.

Mr. MACDONALD (Kings): The price is paid on the quality and not on the inspection certificate. Nine out of ten cars are never inspected, and they sell on the Toronto and Montreal markets just the same, if they have a grade A tag attached. The name of the shipper on the tags is of a great deal more value than the certificate of the Department of Agriculture.

Mr. STEWART (Edmonton): Who puts it on?

Mr. MACDONALD (Kings): The shipper.

Mr. MOTHERWELL: It is not worth anything.

Mr. MACDONALD (Kings): It is worth everything. It is the whole thing. If a car is ordered with the requirement of an inspection certificate, an inspector is employed and examines perhaps ten bags out of five hundred in a car. Very often those ten bags are at the door of the car, and he does not know any more than the Minister of Agriculture what is in the car, so that he would have a very poor idea of it. The member for Queens thinks it is the inspection certificate that gets the price.

Mr. SINCLAIR (Queens): No. The certificate is the guarantee that the shipment is up to the grade stated.

Mr. MACDONALD (Kings): You are not getting a higher price on account of the inspection certificate, but on account of the quality of the potatoes. There are cases where inspection is required. There were many cases last fall, and in December and January, where inspection was required but could not be obtained because there is no inspection service given to the people.

Item agreed to.

For experiments in dehydration of fruit and vegetables, $10,000.

Mr. BARBER: Where are these experiments carried on?

Mr. MOTHERWELL: We have been conducting experiments in small places, one here in Ottawa, one at Grimsby, one in the

Okanagan, at Penticton. We have got stations in various places. The dehydration committee recommended that we should use part of the plant at Grimsby for the establishment of a real commercial plant there. The equipment at Grimsby is worth about $10,000. If we add this $10,000 to it, we will be able to start a real commercial plant large enough to operate under commercial conditions. We do that because we find that where commercial plants start of their own accord with limited capital they are apt to meet with some difficulty, the result being that they cannot operate cheaply. Burlington I think is the place we have in mind. My deputy tells me that the dehydration committee is at Burlington to-night, endeavouring to organize a unit there for the purpose of establishing commercial dehydrating plants such as I have described.

Mr. BARBER: Is it carried on with small fruits, or just apples?

Mr. MOTHERWELL: No, all fruits.

Mr. BARBER: Is it possible to get information in regard to these experiments?

Mr. MOTHERWELL: Yes, we shall be glad to supply my hon. friend with all available information.

Mr. TOLMIE: As this is the last item, I wanted to get a little information with regard to the dumping duty on eggs. I understand that with the dumping clause in operation on purchases made at certain seasons of the year there is no guarantee that it may be applied later on in the season, and there is great risk in having all this money in Canadian eggs. There is a very strong probability of the investors holding back in the event of there being plenty of cheap eggs in the United States which may come in and compete with Canadian eggs on the market here. I was going to ask if the minister has given consideration to the question whether it would not be better to have a fixed tariff higher than three cents, so as to give these dealers some assurance and stabilize the market.

Mr. MOTHERWELL: I will give the matter serious consideration, but a lot of my friends on this side of the House do not like the idea of a higher duty or a dumping clause, so we will defer the consideration of that question.

Item agreed to.

Grant to the executive committee of the World's Poultry Congress to meet expenses in connection with the World's Poultry Congress, 1927—additional amount required, $50,000.

Mr. GUTHRIE: What is the total amount for this conference?

Mr. MOTHERWELL: About $115,000.

Item agreed to.

MINES AND GEOLOGICAL SURVEY

Geological Survey—	
For explorations, surveys and investigations, wages of explorers, topographers and others..	$205,000
For publications of English and French editions of reports, maps, illustrations, etc..	55,000
For maintenance of offices, and Museum, instruments, chemicals, books of reference, miscellaneous assistance and contingencies..	57,000
For museum equipment..	15,000
For purchase of specimens..	3,000
	$335,000

Mr. FRASER: What is the reason for the decrease in this vote?

Hon. CHARLES STEWART (Minister of Mines): We have practically the same number of parties in the field, but they do not require as much for maintenance this year.

Mr. FRASER: How many parties have you in British Columbia?

Mr. STEWART (Edmonton): Nine; the same as last year.

Mr. FRASER: What part of the province did they cover last year?

Mr. STEWART (Edmonton): Southwest Yukon; Skeena river, Portland canal, Clearwater lake—

Mr. FRASER: I would direct the attention of the minister to the country around the Clearwater. It is pretty much in the same range as the main Cariboo gold fields, that is, south of east of the main range. In a small area of the Cariboo country you have a geological survey, but there is that large area between those two points to which attention should be given. It is all in the same mineralized zone, and the survey should be extended from the Clearwater lake through to the Cariboo country and on as far north as Fort George. When the minister is arranging his further survey I should like him to take into consideration the advisability of

continuing it to the northwest until he reaches pretty nearly the Fort George country. It is all in the same zone and requires the same careful study and inspection. I think the result will justify any money expended there.

Item agreed to.

Mines — salaries, $571.085 — contingencies, $6,700.

Mr. QUINN: While we may be in a hurry to get through these estimates, Mr. Chairman, I think it is of importance that we should know what we are discussing. Where is this item to be found?

The CHAIRMAN: At page nine, and the details at page 91.

Mr. QUINN: Thank you.

Item agreed to.

Grant to Imperial Institute, $12,849.

Mr. GARLAND (Bow River): Will the minister explain what the institute does?

Mr. STEWART (Edmonton): This is the usual contribution to the Imperial Institute, which is supported by all the governments of the empire. The exhibits are in London, England. At the Imperial Economic Conference in 1923 a resolution was passed providing for the reorganization of the Imperial Institute and the amalgamation with it of the Imperial Mineral Resources Bureau. It was agreed also that the exhibition galleries of the Imperial Institute should no longer be maintained, and in consequence the expenses of supporting the two bodies would be greatly reduced. The annual cost of maintaining the reorganized institute on the basis mentioned is estimated at £39,000 per annum. Of this amount £14,000 will be obtained from endowment, annuity, fees for work and rent of part of the building, leaving £25,000 to be provided annually by the governments concerned. The conference agreed that this amount should be provided as set forth below—each government agreeing to contribute its share annually for a period of five years:

Great Britain	£9,000
Colonies and protectorates	8,000
Canada	2,000
Australia	2,000
South Africa	1,200
New Zealand	1,200
India	1,200
Irish Free State	200
Newfoundland	200
	£25,000

Mr. GARLAND (Bow River): What is the institute for and what benefit does Canada get from it?

Mr. STEWART (Edmonton): It is a central bureau for the advertising of the mineral resources of Great Britain and the overseas dominions. It is maintained in London.

Mr. GARLAND (Bow River): Is it a sort of museum?

Mr. STEWART (Edmonton): There are displayed all the minerals of the country so that visitors to the institute may see exactly what each dominion possesses.

Mr. GARLAND (Bow River): In other words, it costs $12,400 to satisfy the curiosity of some individual who may be interested?

Mr. STEWART (Edmonton): It is well worth the money from the advertising standpoint alone.

Mr. BRADY: Are the provinces represented individually or is Canada treated as a unit?

Mr. STEWART (Edmonton): The Dominion is treated as a unit.

Mr. FRASER: Is the exhibit supplemented with literature?

Mr. STEWART (Edmonton): Yes.

Item agreed to.

Mines Branch—to provide for operation of peat bog at Alfred, Ontario (revote $45,000).

To provide for a trial shipment of Alberta domestic coal to be made by rail and lake under the supervision of the Dominion Fuel Board in order to ascertain the possiblities of moving Alberta coal in large volume with modern loading and unloading facilities, provided one-third of the total cost of the movement is borne by other governmental, municipal or private organizations, $80,000.

Mr. ROSS (Kingston): In what respect is the Mines branch of the federal department different in its functions from similar departments in the provinces? Is there any overlapping? Take for instance the peat bog at Alfred. Why should that not come under the provincial department?

Mr. STEWART (Edmonton): The work was originally undertaken jointly by the two provinces and carried forward to the point where the necessary machinery for the manufacture of the peat had been developed. There is coöperation on the part of the provincial government and the two departments are still jointly experimenting. The chief duty of the federal Mines Department has relation to the three prairie provinces, the Northwest Terri-

tories, Yukon and the railway belt in British Columbia, which are all strictly federal lands. We have been doing a great deal of work in connection with the mines branches of the provinces, always coöperating with a view to eliminating duplication as far as possible.

Mr. GUTHRIE: How much has been spent on the peat bog at Alfred to date?

Mr. STEWART (Edmonton): About $300,000.

Mr. ROSS (Kingston): I do not want to knock anything but I think it was well demonstrated to the committee investigating the matter that for two or three reasons this work would not be worth carrying on. The minister is now going into the coke business and that should relieve the fuel situation. The committee thought that the results would not justify further work in this direction.

Mr. STEWART (Edmonton): It has been demonstrated that peat can be manufactured at $3.50 a ton on board the car, and delivered within reasonable distances at $5 a ton. This makes it an economical fuel compared to coal. Anthracite costs from $16 to $17 a ton while the lower grades are about $12. Peat is not an all-winter fuel but in the fall and spring it is quite serviceable. Inasmuch as there are large deposits of peat throughout Ontario it was thought well to complete the experiment. There is a private company which intends manufacturing peat at Ste. Hyacinthe, Quebec. They have written asking for information. I must conclude therefore that peat fuel will be a rather important factor in the future for use in grates and for fall and spring, when there is not too high a head of steam required in the furnace for domestic use.

Mr. PETTIT: Has the minister considered developing a large peat bed in the county of Welland where there are several thousand acres available? A number of years ago a company did a certain amount of work there but nothing seems to have come of it. It would be advisable for the minister to look into the matter to see whether that bed could not be utilized.

Mr. STEWART (Edmonton): Examinations have been made by the officers of the department, as well as by the department of the Ontario government, into a number of peat beds lying within a reasonable distance of Toronto. I do not know anything about the one at Welland, but at Holland landing a complete examination has been made. They are all serviceable, but we are trying to demonstrate that we can manufacture peat and sell it successfully in a way which will meet with the approval of the consumers.

Mr. FRASER: Did I understand the minister to say that the federal government administered the minerals in the railway belt of British Columbia?

Mr. STEWART (Edmonton). Not now. If I said that I made a mistake. I am simply dealing with the geological work of our branch as carried on in British Columbia.

Mr. FRASER: The provincial government administers all the metals?

Mr. STEWART (Edmonton): Yes.

Mr. GARLAND (Bow River): I would like to ask the minister if this work is carried on now on a commercial scale by the government?

Mr. STEWART (Edmonton): It will be this year.

Mr. GARLAND (Bow River): It has not been heretofore?

Mr. STEWART (Edmonton): It has been in the experimental stage.

Mr. GARLAND (Bow River): In view of that fact would the minister give the committee figures to show the cost of production of one ton of peat?

Mr. STEWART (Edmonton): I just gave that figure; $3.50 per ton f.o.b.

Mr. GARLAND (Bow River): That is what it actually costs to produce it?

Mr. STEWART (Edmonton): Yes, delivered on the car.

Mr. GARLAND (Bow River): Is it proposed to sell the peat at cost or to reimburse the treasury by charging a reasonable margin to make up for the enormous sum invested?

Mr. STEWART (Edmonton): We intend to sell it on a commercial basis in order to demonstrate what can be done. That is, we will manufacture and sell the peat at a price which will make it reasonably profitable.

Mr. GARLAND (Bow River): Is it the policy of the government to turn over this almost completed plant to private interests, or does the government propose to carry on the work itself?

Mr. STEWART (Edmonton): Once having demonstrated the feasibility of this undertaking, we do not intend to continue it as a government institution.

Mr. GARLAND (Bow River): What private concern will take it over, and at what cost?

Mr. STEWART (Edmonton): They will have to reimburse the government for all the outlay.

Mr. GARLAND (Bow River): For the $365,000?

Mr. STEWART (Edmonton): No, that was experimental work, but any investment made now by the government will be returned.

Mr. GARLAND (Bow River): Do I understand that it is proposed to turn over the existing plant without cost?

Mr. STEWART (Edmonton): Perhaps I have not made it clear. The plant is privately owned; we have leased it on a rental basis for experimental purposes for one year from the company, who have not been able to carry on. The plant will go back to the company with the definite understanding that they repay us for any outlay we have made for which we have not been able to reimburse ourselves by the sale of the peat.

Mr. GUTHRIE: What is the present capacity of the plant?

Mr. STEWART (Edmonton): That is very difficult to say, because a great deal depends upon the weather. If it is damp and rainy the drying process does not take place so rapidly.

Mr. GUTHRIE: Assuming the weather to be suitable, what is the estimated production of the plant?

Mr. STEWART (Edmonton): We estimate that we could manufacture about 20,000 tons.

Mr. McGIBBON: Will the minister tell us in a few words what process was found to be the best?

Mr. STEWART (Edmonton): The air drying process is the one we have adopted. It simply involves taking the peat out, putting it through a macerator and working it up into a fine substance, then spreading it out on the ground to dry.

Mr. McGIBBON: That could only be done during a few months of the year?

Mr. STEWART (Edmonton): Yes, just during the summer.

Mr. BENNETT: I saw the agreement under which this lease was executed, and at that time I declined to carry it out. I was of the opinion that the proposal was not in the public interest, since it necessitated spending a large sum of money for the lease of a property at a rental which I thought was exorbitant, without the assurance that the result would be of use to the country. Whatever may be said about it, in the short period I was acting minister I declined to execute the agreement. But I suppose it has been signed?

Mr. STEWART (Edmonton): Yes. I confess that I shared my hon. friend's doubts at the inception of this scheme, but after two years' experience I am still of the opinion that it is well worth while to test this experiment on a commercial basis. I am bound to say that I think it can be done, and that a fuel can be manufactured which will be quite valuable.

Mr. IRVINE: Does the minister think this vote will be sufficient to complete the experiment?

Mr. STEWART (Edmonton): Yes, we think so.

Mr. COOTE: Have they ever made any peat there which burns successfully?

Mr. STEWART (Edmonton): Yes.

Mr. COOTE: The work that is to be done this year, as I understand it, is to carry on the producing and marketing of the peat?

Mr. STEWART (Edmonton): Yes.

Mr. GARLAND (Bow River): There is a second part of this vote which was not called, amounting to $15,000.

The CHAIRMAN: The total amount was called.

Mr. GARLAND (Bow River): The second item was not mentioned. It provides $15,000 for the trial shipment of Alberta domestic coal by rail and lake.

Mr. STEWART (Edmonton): My hon. friend will recall that a special committee of this House recommended that a trial shipment of this coal should be brought into Ontario by lake and rail from Alberta. I thought it well to make provision for carrying out the finding of the committee provided, as my hon. friend will note, that both governments will join in that project. It is not my intention that we should spend all the money necessary for that shipment unless the governments of Alberta and Ontario are prepared to join with us.

Mr. BENNETT: I am told that the coal is so friable that if it is dumped down a chute into a steel vessel it would be nothing but

dust in the hold. I hope the minister will satisfy himself on that point before he spends any money. I have satisfied myself that the effect of dropping the coal into a steel ship would be to convert it into dust.

Mr. STEWART (Edmonton): My hon. friend is probably correct, I suspect that is what would happen, without having expert advice about it. Inasmuch as this committee deliberated for some time, however, and brought in this recommendation, I felt it my duty to at least carry out my share of the program. I am also informed that Mr. Ellis, though I did not get this direct from him, has expressed the view that this was not a feasible proposition. If that is found to be so. I can assure my hon. friends that the money will not be spent.

Mr. GARLAND (Bow River): Has any attempt been made by the minister to get in touch with either of the governments with a view to carrying out this trial?

Mr. STEWART (Edmonton): I have taken the matter up through some of the officers of my department, with Mr. Ellis.

Mr. GARLAND (Bow River): Do the officials of the Department of Mines think there is any possibility of getting a similar grant from either of the provinces for this trial?

Mr. STEWART (Edmonton): It is not a question of a grant, but a question of the provinces agreeing to coöperate in the movement as a test. If, as I am informed, Mr. Ellis, who advises the Ontario government, is opposed to a trial shipment of this character, as well as the operators in Alberta, of course nothing will be done. If on the other hand they should agree to a trial I shall have the necessary funds to enter into a three-cornered agreement with them.

Mr. GARLAND (Bow River): To what amount?

Mr. STEWART (Edmonton): Simply to the amount required to cover any loss which may accrue.

Mr. GARLAND (Bow River): Is the estimate for that amount $15,000.

Mr. STEWART (Edmonton): Yes. We cannot estimate what the loss will be.

Mr. GARLAND (Bow River): It might be more than that.

Mr. STEWART (Edmonton): I cannot say. A good deal will depend upon the cargo that is brought.

Mr. GARLAND (Bow River): I agree almost with the statement of the hon. member for West Calgary (Mr. Bennett). I do not know whether any more mad proposal was ever brought before this House than was brought forward last year by one of the front benchers on the Conservative side that the coal should be shipped lake and rail. No one knows better than those of us who live in Alberta that while our coal is of a domestic quality fully equal to any other used in this country, it will not stand harsh handling. One or two handlings are the most that it will stand without serious deterioration. I submit therefore that this vote is practically worthless and I venture to predict that not one dollar of it will ever be used. I venture to assert further that not a single operator in Alberta would prejudice the possible market for his coal by consenting to have it moved by lake and rail. Our operators know too well the danger of putting this coal down chutes into the hold of a vessel, hauling it out again with great clamshells and dropping it on the dock. The coal will not stand that treatment, but it will stand reasonable handling in box cars all rail. This morning we had a brief discussion in regard to the coal miners in Alberta. If the minister had the interest of the miners at heart—and I really think he has, but possibly officials of his department are leading him off into little highways and byways on other questions instead of letting him go ahead in the direction in which I feel sure he wants to go—he would have devoted this $15,000 to assisting the movement by rail until the Board of Railway Commissioners had reported on the cost rate. In that way the minister would have done infinitely more good to Alberta in the marketing of our coal than he will do by this vote in connection with the lake and rail shipment of it.

Ms. MALCOLM: The hon. member is assuming that Alberta coal is going to disintegrate in going over a tipple and in being taken out of a boat. A big portion of Ontario can be served from Georgian bay and lake Huron ports. I do not think the hon. gentleman knows, nor do I think anybody knows, to what extent Alberta coal will deteriorate under lake handling. For my part I think it is a very small contribution to the experiment to send a trial shipment, putting the shipment of coal by rail over the tipple at Duluth, and I do not think it will jeopardize the marketing of the coal. If the experiment should prove successful, a large

portion of Ontario can be served from Georgian bay and lake Huron ports with that coal. Personally I would like to see the experiment tried.

Mr. GARLAND (Bow River): I have no intention of blocking this item; I am simply pointing out to the committee the uselessness of it. In reply to the Minister of Trade and Commerce I may say that we know just about how much handling our domestic coal will stand, and we know that with the present machinery for loading and unloading boats where a box car is raised high above the level and the whole carload is dumped at once down a chute into the hold some thirty or forty feet below, considerable disintegration occurs. When the boat arrives at the unloading dock the coal is taken out of the hold by driving clam shells into it, lifting it up, swinging it around and dropping it loose on the dock. The Minister of the Interior can inform the Minister of Trade and Commerce that the disintegration which would probably take place would render at least 50 to 60 per cent of that coal nothing but slack. It might be possible to get a single shipment for trial purposes if the source of the coal were kept secret, but there is not in Alberta an operator who would consent to allow his name to be attached to a shipment of coal that was to be used for this experiment.

Mr. ROSS (Moose Jaw): I think the hon. member for Bow River is speaking of only one district in Alberta.

Mr. GARLAND (Bow River): I am speaking of all the domestic coal fields in the province: The Saunders creek field, the Drumheller field, the Edmonton field, and the Lethbridge field.

Mr. ROSS (Moose Jaw): From what little experience I have had with coal in western Canada I have found that coal from the Lethbridge area will stand much more handling than coal from the Drumheller area. It might be possible to ship coal from Lethbridge by lake and rail and that it would stand up.

Mr. STEWART (Edmonton): The committee of which the hon. member was a member brought in this report.

Mr. GARLAND (Bow River): Against my vote and wishes.

Mr. STEWART (Edmonton): I can not help that. That report was concurred in by this House, and if reports are to be of any use committees should be careful about agreeing to them.

[Mr Malcolm.]

Mr. GARLAND (Bow River): I am not blaming the minister.

Item agreed to.

Mr. STEWART (Edmonton): It has been argued that we do not require subventions to bring our coal here, and that if a reasonable rate had been fixed, the coal could be moved. I agree with that most heartily. That explains why in our estimates there is no amount for a subvention to bring Alberta coal east, because we think a rate can be fixed that will bring it here.

Item agreed to.

Compassionate allowance to Mrs. Nancy Waugh, $3,000.

Mr. CAMPBELL: What is the explanation of this?

Mr. STEWART (Edmonton): There was in the department an ethnologist who disappeared at Montreal. We have not heard of him for three years and during that time we have been giving this compassionate allowance to his wife who, may I say, is a deserving woman. We have no knowledge of the death of the man who has simply disappeared. The last heard of him was that he was going to Caughnawaga Indian reserve, and from that time on no report has been had of him. We are asking for this amount for the support of his wife.

Mr. PARENT: This department seems to be unlucky. A short time ago we voted the sum of $1,000 for a man who met with an accident and now we find another sum of $3,000 for a compassionate allowance to a wife whose husband has disappeared. If every department were following the same procedure, we would find in the estimates any number of items of this character. We ought to consider such votes very carefully.

Mr. GARLAND (Bow River): I am in complete accord with appropriations of this nature. Compassionate allowance votes are infinitely to be preferred to votes for war memorials or celebrations of a bombastic nature.

Item agreed to.

PENITENTIARIES

Penitentiaries—Kingston, $441,472.

Mr. QUINN: I see there an increase of $8,000 in this item. Is that on account of prohibition or government control?

Hon. LUCIEN CANNON (Acting Minister of Justice): There is an increase of $7,000 in salaries and retiring allowances, and $1,000 additional for extra equipment required, the increase being due largely to a 50 per cent increase in the prison population.

Miss MACPHAIL: Has the Department of Justice done anything towards carrying out the resolution which the House passed last year to provide that prisoners should be given a sufficient amount of productive work to do to help towards keeping their dependents.

Mr. CANNON: When my hon. friend moved her resolution in the House last year, the hon. Minister of Justice stated he would endeavour to carry it out to the best of his ability. I understand he has taken steps in that direction, but unfortunately, as my hon. friend will understand, I am not in a position to give her any details. I have been called upon to present these estimates to the House, but I am not as fully conversant with them as the Minister of Justice would be. I am quite sure, however, from the knowledge I have acquired in the department that the Minister of Justice has done his best to improve the situation in the direction the hon. member outlined last year.

Miss MACPHAIL: I believe that the act as it stands is drawn up on the old idea of vengeance by the state, and in view of that fact I think that the wardens and other officials of the penitentiary are doing most excellent work. Certainly in the penitentiary I visited I was very much impressed with their efficiency. I think the wardens, the matrons, the guards, and the officials in charge of the prisoners are doing everything they can to change—shall I say distort?—the meaning of the act and to reform rather than to revenge, using punishment only in so far as it will help in reformation. I do think that the act should be revised to express the new spirit that is to be found to some extent in the penitentiaries. In the report which the superintendent of penitentiaries makes every year, he asks for certain things. He has made certain recommendations over and over again, and I hope that the Department of Justice will endeavour to carry them out. Brigadier-General Hughes is most interested in this subject. He devotes his whole time and energy and all his reading and thought to it. He has made certain specific recommendations for many years past, but they have not been carried out. I cannot see the force of having a man who is to advise the government if the government does not take his advice. These recommendations which he has made over and over again are very important. There are some seven or eight of them. One is that prisoners be given a sufficient amount of work to do, and get paid for work well done. He also asks that the officials in the penitentiaries, the guards and all who take charge of the prisoners, shall have training before they go there, and another one which I forget at the moment; but I would refer the minister who is putting these estimates through to the report of the superintendent of penitentiaries, and most respectfully suggest to him and the government that they should carry out the recommendations made yearly by Brigadier-General Hughes.

Item agreed to.

JUSTICE

Expenses of litigated matters—Department of Justice, $38,000.

Mr. KENNEDY: What is this for?

Mr. CANNON: This is for the litigated matters. There is a decrease of $50,000 in the vote this year.

Mr. BENNETT: It was larger last year on account of the Labrador boundary dispute.

Mr. CANNON: Yes, that accounted for last year's vote being much higher.

Item agreed to.

To complete the revision of the Dominion statutes; payments may be made notwithstanding anything in the Civil Service Act or regulations thereunder, $20,000.

Mr. GUTHRIE: When will these statutes be completed?

Mr. CANNON: The commission was to complete its work by the 1st of January last. In the fall when I was Acting Minister of Justice I had a conference with the commissioners and they pointed out that in view of the fact that practically no legislation was passed last year, if the revision were completed by the end of this year we would be in the rather abnormal position of having a revision which would be minus very important legislation, and they suggested that they should be continued in office, in order to be in a position to include in the revision legislation which would be passed this session.

Mr. McGIBBON: Why not go on forever?

Mr. CANNON: Allow me to finish. Take, for instance, the amendments brought in by last year's budget or this year's budget, the Pension Act, and all these important pieces of legislation: I do not think it would be fair to the commission to ask them to terminate their work without including the measures we pass this session. The hon. member for West Calgary and the leader of the opposition will admit that it is in the public interest, and

also in the interests of the bar, that we should include in our revisions the legislation of this year, and I have the assurance from the commissioners that they will be able to complete their work in a very short time. I asked them if it would be possible to finish by July 1, and they told me they would endeavour to do so, I can assure the House that their work will be finished within a very short time.

Mr. GUTHRIE: There are two things I have despaired of, one is the revision of the Dominion statutes and the other is a solution of the question as regards Alberta coal. The Dominion statutes were last revised in 1906. I remember that in 1921 a very able lawyer offered to do the whole job in one year for $10,000. The offer was accepted, but subsequently it was set aside by another government. This commission has been working ever since. They are paid an annual salary.

Mr. HANSON: What is the cost?

Mr. CANNON: I do not know the total cost, up to the present time.

Mr. McGIBBON: What has been the total cost up to date?

Mr. CANNON: $103,000.

Mr. POULIOT: Who is the president of the revising board?

Mr. CANNON: Sir Charles Fitzpatrick, former Chief Justice of Canada.

Item agreed to.

Justice—salaries—to provide for the appointment of Antonio Berthiaume as clerk, grade 4, in the minister's office, $1,500.

To provide for the salary of a stenographer, grade 2, $1,020.

To provide for promotion of a clerk, grade 2 to clerk, grade 3, $120.

To raise the salary of one senior advisory counsel, $4,620 to $5,000, $380.

Mr. QUINN: Can the Acting Minister of Justice justify the additional appointments to the staff?

Mr. CANNON: The staff of the Justice department is a very small one. It is the only department which is really under-manned.

Mr. QUINN: They are all over-manned.

Mr. KENNEDY: Why is it necessary to have increased salaries for stenographers and clerks? Why do they not come under the Civil Service Commission?

Mr. CANNON: They do. The stenographer in this item belongs to the Penitentiaries branch and after two years' temporary service was made permanent last year, the salary having been included in the general items of promotion from classification. Owing to the delay in passing the supplementaries for 1926-27 the salary was omitted when the main estimates for 1927-28 were considered. All these classifications and increases are statutory.

Item agreed to.

To provide increase of $3,000 per annum for Hon. Lucien Cannon, payable to him from the consolidated revenue fund, for the period during which he occupies the position of Solicitor General, the acceptance of such salary not to vacate his seat in parliament, $3,000.

Mr. HANSON: Explain.

Mr. CANNON: I am not going to deal with that item. Someone else will attend to that.

Mr. BENNETT: The Solicitor General will not misunderstand me when I say that it should be a matter of policy, so far as the government is concerned, that both law officers of the crown should not come from a civil law province. There should be one from a common law province and one from a civil law province. I have always felt that. In the previous adminstration with which I was connected it was not so, but that made it no better. As far as the item is concerned, if the Solicitor General of this country is charged with the same duties as the Solicitor General in England with respect to litigation,—and I believe that is the intention here—the compensation at present paid to him is wholly inadequate and he should be put on a higher basis. In England the Solicitor General undertakes a great deal of the civil litigation, and sometimes undertakes criminal prosecutions, but only in very important cases. In addition to his salary he is paid for the work he undertakes by the solicitor of the treasury endorsing on his brief a fee exactly the same as would be paid to other lawyers who might be called in. The idea of increasing the salary to $10,000 if the work is done is not at all paying the Solicitor General more than he should receive. As long as he undertakes this work I think he should be paid this salary. However, as I said, I think one of the law officers should come from a common law province and one from a civil law province.

Item agreed to.

Supreme Court of Canada—To provide for portraits of chief justices, $1,000.

Mr. WOODSWORTH: What is this for?

Mr. CANNON: The custom in all our law courts is to have a picture of former justices and chief justices. In our Supreme court we have portraits of former chief justices, and this item is to provide for the portraits which we have not yet obtained. If my hon. friend will visit the Supreme court of Canada he will come to the conclusion that that building should be considerably improved. I think this very small item of $1,000 should be voted without any hesitation. The Supreme court is not what it should be.

Mr. McGIBBON: The court or the building?

Mr. CANNON: The building. I have no criticism of the court, but I think it ought to be better lodged.

Mr. CHAPLIN: How many dozen do you get for this thousand dollars?

Mr. CANNON: It depends on the artist.

Mr. BENNETT: I do not think there are portraits of the last two chief justices, Chief Justice Taschereau and Chief Justice Davies. There are portraits of Chief Justice Richards, Chief Justice Strong and Chief Justice Ritchie.

Mr. CANNON: I think the intention is to complete the series.

Miss MACPHAIL: Would not photographs be cheaper and twice as good?

Item agreed to.

Penitentiaries—Kingston—to provide pension at the rate of $600 per annum to Mrs. Violet L. Jenkin, widow of late penitentiary guard, M. E. Jenkin, from September 1, 1926 to March 31, 1927, $350.

Mr. ROSS (Kingston): On what basis is this pension granted?

Mr. CANNON: On the basis of $50 a month up to March 31 of the present year. Then she will be drawing a pension as provided for in the main estimates.

Mr. ROSS (Kingston): Is this pension on the basis of the mother's allowance in certain provinces?

Mr. CANNON: The basis is the precedent established in the department, that is, it is the amount that would be granted if there had been an award by the compensation board.

Mr. ROSS (Kingston): I think the pension is not sufficient. A widow with five children cannot possibly carry on on such a pension. The man was killed while on duty, and I think the department should increase the amount. Under the mother's allowance legislation a widow with three children gets $54 a month.

Mr. HANSON: At the rate of assessment under the Pension Act she would get a great deal more.

Mr. CANNON: But that act does not cover these cases. I appreciate what my hon. friend says, and I will take the matter up with the officials. If there is any possibility of increasing the pension I am sure the department will do something further.

Mr. HANSON: How long has this scale been in effect? I am informed it was established fifty years ago and has never been varied since.

Mr. CANNON: The first payments in cases of this kind were made in 1913, and the same basis has prevailed ever since.

Mr. HANSON: Of course the value of the dollar has gone down in the meantime.

Mr. ROSS (Kingston): There is another man in Kingston now, a complete invalid, who is receiving $25 or $26 a month. Whether he was injured while on duty through his own fault or not, it looks to me a pretty small piece of business. The guards are dealing with the most dangerous type of criminals, and one can appreciate the hazardous character of their duties by visiting the machine shop. This widow's husband was a bright young guard, and the minister must be aware that $600 a year is not sufficient to maintain her and her five children. The department ought to realize that the rate is too antiquated to meet present day conditions.

Mr. IRVINE: I believe it would meet the general approval of the committee if some arrangement could be made to increase this and similar votes. If this woman had been the widow of a judge I have no doubt she would be getting a much larger pension. A penitentiary guard has a much more dangerous job than a judge, and I think this amount should be increased.

Mr. CANNON: The widows of judges do not get pensions.

Mr. IRVINE: They do not need any.

Mr. HANSON: This is not by statute.

Mr. CANNON: The law governs us in fixing the amount, but the money has to be voted by parliament.

Mr. COOTE: On what basis do we grant these pensions? When the Department of Mines estimates were up we granted some lady, supposed to be a widow, $3,000.

Mr. CANNON: I understand from my colleague of the Interior that the item my hon. friend is referring to is a lump sum. This is a pension at the rate of $50 a month.

Mr. ROSS (Kingston): Mr. Chairman, is it not time that the government followed the example of the railways in providing for the dependents of officials killed while on duty? I cannot move an amendment to increase this vote, but surely the government will recognize that the stand I am taking is right.

Mr. CANNON: I understand these cases are dealt with directly by the department, but the amounts paid are the same as would be paid by the compensation board.

Mr. ROSS (Kingston): If this widow could come under the Mother's Allowance Act of Ontario she would get more than the department is paying her. I think you should put the pension on the same basis as under that act.

Mr. CANNON: I understand that that is the basis.

Mr. STEWART (Edmonton): The duty of the government in considering cases of this kind is to treat them on a parity with the provisions of the compensation board of the particular province concerned. In the event of accident or death the widow receives the pension she would have got had her husband been employed in similar service in the province. It is eminently fair.

Mr. ROSS (Kingston): I take it that I have the promise of the Solicitor General to go into the whole matter?

Mr. CANNON: I surely will.

Item agreed to.

Amount required to pay amounts awarded to the United States government by the Pecuniary Claims Convention in the following cases:
The "Tattler" claim, $630.
The "Gerring Jr." claim, $9,000.

Mr. CANNON: The Pecuniary Claims Convention having concluded its labours, it is necessary for the various countries to arrange for the payment of awards made by the tribunal. The schedule considered by the tribunal comprises forty-one claims by the United States aggregating $5,515,958.29, and fifty-nine claims by the British government, including the claims of Canada and Newfoundland aggregating $5,717,138.75. Of these various claims thirty-two were awarded the United States totalling $81,113.06, and nineteen to the British government totalling $239,506.20. The United States government has appropriated funds to meet its indebtedness while the British and Newfoundland governments have undertaken to make similar provision. It is now the duty of Canada to take steps to pay the awards included in the above-mentioned cases. As the United States were awarded $81,000 and the British government, including Canada and Newfoundland, $239,000, it will be seen that we have made a fairly good bargain.

Item agreed to.

Litigated matters—To authorize payment of a special fee to C. P. Plaxton, K.C. for services in connection with the Labrador-Newfoundland case, notwithstanding anything in the Civil Service Act, $2,500.

Mr. QUINN: What is this $2,500 for?

Mr. CANNON: Mr. Plaxton, of the Justice department, was entrusted with the preparation of the Labrador case and he did a good deal of extra work, having devoted his time to the task for several years. This amount is supplementary to his salary to compensate him for that extra work.

Mr. QUINN: It is apart from his salary?

Mr. CANNON: Yes.

Mr. QUINN: Does he refund anything to the department for any time which he takes off?

Mr. CANNON: I do not think he has lost any time.

Mr. QUINN: If he takes a vacation does he refund anything?

Mr. CANNON: I want to assure my hon. friend that the Labrador case is an important one and Mr. Plaxton has done very good work.

Mr. QUINN: I do not wish to minimize the work of gentlemen of the legal profession but I must observe that their fees are becoming enormous. When we recall some of the events of the past twelve months I think it will be admitted that the legal profession is running crazy.

An hon. MEMBER: What about the government?

Mr. QUINN: The government too. We are paying too much in fees and it is time we

called a halt. Why should we pay a gratuity like this to a man who is in receipt of a permanent salary from the Department of Justice?

Mr. HANSON: What about Rowell?

Mr. QUINN: I have Rowell in mind.

Mr. DENIS (Joliette): What is the full amount paid counsel in the Labrador case and what was the full amount paid the Right Hon. Mr. Doherty?

Mr. CANNON: I am not in a position to state the exact amount that will be paid counsel in this case. As to the Right Hon. Mr. Doherty, the amount he received, as fixed in 1921, was $10,000. That covered work done during a period of five years and is certainly not exorbitant.

Some hon. MEMBERS: Carried.

Mr. QUINN: It may be carried, but I protest.

Item agreed to.

Royal Canadian Mounted Police

Pay of force (including salaries of two constables, Ellesmere island district, at $2.25 per diem, to insure department against loss through death), $1,065,653.75.

Maintenance (including billeting, travelling expenses, forage, fuel and light, clothing, repairs and renewals, horses ammunition, stationery, etc., medical, hospital, etc., transportation and freight, buildings, repairs, contingencies and criminal investigations, and establishment of new detachments and renewals, $1,112,345.09.

To compensate members of the Royal Canadian Mounted Police for injuries received whilst in the performance of duty, $8,500.

To assist in enforcement of federal statutes (expenditure chargeable to this vote shall be in connection with such federal police duties as may be defined by the governor in council upon recommendation of the Minister of Justice, $75,000.

To provide for special services in connection with the enforcement of the Opium and Narcotic Drug Act, $25,000.

Mr. GARDINER: What is the reason for the increase?

Mr. CANNON: Forty-three new men have been engaged in the northern sections of Canada.

Mr. KENNEDY: What part of the northern section, west or east?

Mr. CANNON: Some of them will be employed in Baffin island—and others in Hudson bay and on the Mackenzie river, in the northernmost sections of the country.

Mr. HANSON: Are any of the police to be used in the Peace river district for the protection of ballot boxes?

Mr. CANNON: I hope so. We shall have a few years to prepare for that emergency.

Mr. ROSS (Moose Jaw): Has anything been done to reinstate those police who were removed a few days prior to the last election? In Saskatchewan, I believe, two or three officers of the mounted police were removed, one from Prince Rupert and another from the Yukon territory, because they were Liberals. The idea was that they should not be able to use their influence nor to vote. At the same time I believe one man was appointed aide de camp to the lieutenant governor in Regina, and that man is the president of the Conservative organization of that city.

Mr. BENNETT: I am glad to hear the observations made by the hon. member for Moose Jaw, who knows so much about everything, because what he has said indicates that these men should be very thankful they were not dismissed from the service. He says they were prevented from using their influence, being Liberals; apparently they desired to take part in the elections and that would have brought about their dismissal, in accordance with the observations made last night by the Postmaster General (Mr. Veniot). As it is they should be thankful they were moved and not removed entirely from the public service for using their influence on behalf of the Liberal party in the election. The truth is that the gentlemen were moved on the strength of reports made by the superintendent, who sits on the floor of this House at the moment. With my own eyes I saw the report, which was received some months previously, and which suggested that they should be removed not because of their political faith but in the interests of the force. That report is a matter of record in the Department of Justice and can easily be brought down to substantiate my statement; it was on the strength of that report that these men were removed.

If the hon. gentleman desires to investigate the movement of men at the public expense from Toronto to Regina, on vouchers which can now be found in the department, in order that they might vote at Regina in the election of 1925, he would not have a great deal of difficulty in so doing. I would like to inform him that in that case the vouchers under which they were removed disclosed the fact that they were sent to Regina to vote at the public expense. These vouchers were subsequently altered, because

that was thought to be even too raw to go through the department files. That is the position if the hon. gentleman desires to know it.

Mr. CANNON: I will state in reply that I will make inquiries into the facts brought to my attention to-night, and the House may rest assured that the efficiency of the service will not suffer by any action which may be taken.

Mr. ROSS (Kingston): If the statement is true, would it not require some further evidence that this was done to prevent them from using their influence?

Mr. BEAUBIEN: I would ask the Solicitor General if he would ask the commissioner of police as to the advisability of providing police posts in the different parts of Canada with automobiles. I have a case in mind in my own riding; it is a place called Emerson, where two mounted policemen are stationed. I bring this matter to the attention of the minister because it was directed to me by the citizens of the district. These men do a lot of work for the revenue department, going around hunting up private stills and so forth, and I think their work would be much more efficient if they were provided with a small automobile in order to carry out their operations.

Mr. CANNON: Automobiles will be supplied gradually as the needs arise.

Mr. HANSON: Are any of the mounted police now being used in the suppression of smuggling, and if so, where? While I am on my feet I would like to call the attention of the Solicitor General to the necessity of sending a force in the coming spring, if the preventive service is not manned by that time, into the county of Kent, New Brunswick, where smuggling in alcoholic liquors is rampant.

Mr. CANNON: A certain number of officers of the force were put under the Customs department last summer, and are still with that department but in a decreasing number. My hon. friend will recall that a considerable sum was voted last night for the organization of the preventive service, and we hope that the Customs department will take hold of the entire preventive service in order that the mounted police will be freer to perform the duties allotted to this force, and those duties only.

Mr. KENNEDY: I would ask the Solicitor General if the government is considering adjourning very soon; it is now two o'clock.

[Mr. Bennett.]

Mr. CANNON: I may say to my hon. friend that a very good way to expedite adjournment would be to help me through my estimates.

Mr. KENNEDY: I do not know about that. Some of us have been around the building since nine o'clock this morning and we are tired.

Mr. WOODSWORTH: I just wanted to reiterate the position I have taken in recent years; it seems to me that there is unnecessary duplication as between the federal authorities and the provinces. I am not sure why it is necessary for us to have so many of the federal police stationed within the organized territories. I noticed a year or so ago a speech by Mr. Brownlee, the premier of Alberta, in which he protested against the mounted police in that district. I would ask why the Dominion government, in the face of a protest of that kind, still persist in maintaining the mounted police in the organized provinces.

Mr. CANNON: The question of how the administration of justice and the police work in the provinces should be handled is now under study. I have had occasion to discuss the matter with the provincial authorities, and I can assure my hon. friend that we will try to devise the best possible methods as between the federal and provincial authorities, in order that both may remain within the scope of their jurisdiction.

Mr. WOODSWORTH: Does the Solicitor General recognize the fact that there has been a great deal of duplication?

Mr. CANNON: There has been.

Item agreed to.

Pensions—families of members of the force who lost their lives while on duty—

Mrs Mary Emma Bossange.. ..	$457 50
Mrs. Margaret Johnson Brooke.	823 55
Mrs. Margaret Cox..	501 75
Mrs. Elizabeth Fitzgerald.. ..	525 00
Mrs. Mabel Forbes..	411 75
Mrs. Myrtle L. Richards..	756 00
Mrs. Amy Lillian Searle..	408 09
Mrs. Elizabeth Willmett..	54 90

Mr. QUINN: Would the minister explain why the item in connection with Mrs. Elizabeth Fitzgerald has been reduced by $43.75?

Mr. CANNON: One of her children became of age so that the pension is granted to the widow and to the children under a certain age.

Mr. ROSS (Kingston): Why the decrease?

Mr. CANNON: Because the children have become older.

Item agreed to.

To assist in the suppression of the white slave traffic, $2,500.

Mr. WOODSWORTH: What can be done with $2,500?

Mr. CANNON: This is to cover expenses incurred in occasional cases where the mounted police have to deal with white slavery. The amount is not very large because this is only in exceptional cases. The cases are usually dealt with by the police authorities in the different cities.

Mr. HANSON: How much was spent last year?

Mr. CANNON: A few hundred dollars.

Item agreed to.

Pensions—to provide for an annual pension from April 1, 1926, based on a widow's pension, under the Royal Canadian Mounted Police statutes, to Mrs. Letitia Kennedy, widow of the late Inspector G. W. Kennedy, deceased July 14, 1922, prior to the enactment of chapter 66, 1924, $423.50.

Mr. BENNETT: With respect to this item and the following one for a pension to Mrs. Caroline Elizabeth McIllree, I am in great difficulty. The effect of these items is to give the widows a privileged position on the assumption that had their husbands lived to a certain date, they would have received a larger pension. I recently had occasion to bring to the attention of the department the fact that men who took their superannuation allowances in the force while the bonus was being paid which was subsequently made a part of their salary, received a much smaller pension than they would have received had they waited a few months longer and received the benefit of the increased salary. These pensions are based on the assumption that the increased salary had been paid. This widow is being paid on the basis of the 1924 pension and this is making it retroactive, while men who remained in the force, who took their pension and who are still living, have been refused the benefits of the amending legislation that a short time after increased the salaries of their successors by making the cost of living bonus a part of the salary.

Mr. CANNON: I am informed that this is to meet the inconvenience suffered by this lady owing to the fact that by a technicality she did not have a pension at the time of—

Mr. BENNETT: The change in the legislation.

Mr. CANNON: Yes. But the point made by my hon. friend is that we are increasing the pension so as to make it as high as it would have been if her husband had lived longer.

Mr. BENNETT: Yes.

Mr. CANNON: That is not the case. It is to recoup her for what money she did not receive through some technicality.

Mr. HANSON: Is this a permanent addition to her pension?

Mr. CANNON: Yes.

Mr. HANSON: We have just voted one pension to this lady and we are now voting another.

Mr. CANNON: No, that is to cover the 1927 pension.

Mr. HANSON: But this is an additional pension. She will be receiving two pensions.

Mr. CANNON: I am sure that if she is getting two pensions, somebody will soon find it out and it will be reduced to one.

Mr. BENNETT: Will the minister look at the next item and see what it says:

To provide for an increase, from May 18, 1925, in the annual pension of $962.50 granted under section 51, chapter 91, revised statutes of 1906—as amended—to Mrs. Caroline Elizabeth McIllree, widow of the late ex-Assistant Commissioner J. H. McIllree, Royal Canadian Mounted Police, who died on May 17, 1925, said pension to be increased to $1,303.75 per annum, the amount to which she would have been entitled had she been eligible therefor under the increase in police pensions granted by chapter 24, 15-16 George V, an act to amend the Royal Canadian Mounted Police Act.

That is exactly as I put the matter to my hon. friend. I recently had occasion to take up with the department the case of a superintendent who retired just before this amendment was put through and who is now receiving the smaller pension that this widow was receiving, and who, had he received the benefits she is receiving, would have got a few hundred dollars more of a pension. As he served his full period he receives a total pension which is equivalent to seven-tenths of his salary. If he had waited until the statute referred to was enacted; he would have received that increase. He did not receive it, and now we are giving it to the widow although we declined it to the living man.

Mr. CANNON: These items are to meet changes introduced in 1924, but not to cover the bonus to which my hon. friend is alluding.

Mr. BENNETT: No, the increased salary.

Item agreed to.

Royal Canadian Mounted Police—maintenance including $100 to reimburse ex-constable E. H. Woolams, loss of personal effects in the Northwest Territories and revote of $76,197.25 for special northern services in the western Arctic subdistrict, $76,297.25.

Mr. DENIS (Joliette): A few years ago quite a number of members on this side of the House raised their voices against the large amounts being spent in this country on the Royal Canadian Mounted Police, and I recall plainly that Sir Lomer Gouin, then Minister of Justice, decreased the estimates for the mounted police. We have just passed one vote providing for an increase of $237,000, which in my estimation is a very large vote. Of course, I appreciate that it is difficult for a private member to understand whether or not some of these estimates are justified, but as we have already voted one large increase I think we should have some explanation of this item.

Mr. CANNON: The increase is easily understood. The work of the force has been extended, and therefore the personnel has been increased. As to whether the force should be increased or not, that is a matter of policy which might be discussed, but with the increase in the duties of the force this extra amount is required.

Mr. DENIS (Joliette): Is this $76,000 to provide for an increase in the force?

Mr. CANNON: There is no increase in the force this year. This is a revote.

Mr. DENIS (Joliette): If there has been no increase in the force why should we vote $237,000 more than last year?

Mr. CANNON: As I stated before in answer to one of my hon. friends, we are establishing new stations in the northern section of the country.

Item agreed to.

Public archives, $90,000.

Mr. GARDINER: We have just passed one item for public archives. Why are there two different items?

Mr. RINFRET: This is a cumulative amount covering branches of the Archives department throughout the Dominion, in Montreal and the maritime provinces, also branches of the Archives department in London and Paris. The rest of the amount is required to make purchases of manuscripts, pictures and historical documents which we keep in the Archives building at Ottawa.

Mr. DENIS (Joliette): What is the salary now paid to the Dominion Archivist?

Mr. RINFRET: $8,000.

Mr. DENIS (Joliette): That is all he receives?

Mr. RINFRET: As archivist.

Item agreed to.

Expenses in connection with the Early French Colonial Historical Exhibition in Paris, $2,500.

Mr. ROSS (Kingston): What is this vote for?

Mr. RINFRET: This is a revote for an exhibition that is to take place in Paris next year of early French colonial establishments.

Item agreed to.

Progress reported.

PENSION ACT AMENDMENT

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment) moved the third reading of Bill No. 234, to amend the Pension Act.

Hon. HUGH GUTHRIE (Leader of the opposition): Mr. Speaker, my hon. friend from West Calgary (Mr. Bennett) has just left the chamber. He is very much interested in this bill, and has an important amendment to move to it. This is no time of the night to bring on a question of this kind, and I submit that the government should not press this motion, but that we should adjourn.

Mr. KING (Kootenay): I do not wish to press the measure, but it is important that it should pass so that it may go to the Senate. It is an important piece of legislation. It was understood that it would be given third reading to-night, but if the hon. leader of the opposition desires to have it stand over until to-morrow, we should take it up first thing in the morning.

Mr. GUTHRIE: I would like it the very first thing to-morrow if it can be done.

Motion stands.

On motion of Mr. Stewart (Edmonton) the House adjourned at 2.30 a.m. Wednesday.

Wednesday, April 13, 1927

The House met at eleven o'clock.

BUSINESS OF THE HOUSE

MOTION RESPECTING PRIVATE BILLS

Mr. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, I beg leave to make a motion with respect to a private bill of which no notice is required under rule 40: but the motion itself is under rule 17A regarding routine motions for the management of the business of the House. The motion is:

That in the opinion of this House it is expedient that private bills be considered and dealt with at three o'clock this afternoon.

I have shown the motion to the hon. Minister of Finance; I had not the opportunity to show it to the Prime Minister.

Hon. J. A. ROBB (Minister of Finance): Mr. Speaker, I suppose it is understood that my hon. friend would be prepared to limit the time to not more than one hour at the most.

Mr. CAHAN: Oh yes. I have no desire to prolong the debate, and if it is the intention to attempt to talk these remaining bills out on the third reading, we will in the exercise of our discretion comply with the suggestion of the hon. Minister of Finance.

Mr. WILLIAM IRVINE (Wetaskiwin): Mr. Speaker, I would draw to your attention the fact that there are no private bills on the order paper. Private bills are done with, and I submit that this motion is out of order.

Mr. SPEAKER: This is a matter for the House to decide. If the House decides that private bills, even though they are not on the order paper, shall be taken this afternoon they will be taken. It has happened in the last two weeks that bills which were not yet down on the order paper were considered in the House and given a second and a third reading. The House can decide whether the time is opportune to take private bills this afternoon. I consider that in view of the present urgent circumstances the motion is in order under rule 115.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Can a motion of this kind, Mr. Speaker, leading to a suspension or alteration of the rules be moved without notice of any kind?

Mr. SPEAKER: The House can always suspend its rules, and the motion is in order.

Mr. ROBERT GARDINER (Acadia): Is it understood that if this motion passes, private bills will be taken up for one hour only? Is that the effect of the motion?

Mr. SPEAKER: I understood from the statement made by the hon. Minister of Finance (Mr. Robb), which was acquiesced in by the hon. member for St. Lawrence-St. George (Mr. Cahan), that the discussion on private bills will not last for over one hour this afternoon.

The House divided on the motion which was agreed to on the following division:

YEAS

Messrs:

Allen,
Anderson (Toronto-High Park),
Arthurs,
Auger,
Bancroft,
Barber,
Beaubien,
Bell (St. Antoine),
Bell (St. John-Albert),
Benoit,
Bettez,
Bissett,
Black (Halifax),
Boivin,
Bothwell,
Boulanger,
Bourgeois,
Bowen,
Bowman,
Bradette,
Brady,
Brown,
Cahan,
Cannon,
Cantley,
Cardin,
Casgrain,
Cayley,
Charters,
Cowan,
Delisle,
Denis (St. Denis),
Descoteaux,
Dickie,
Duff,
Edwards (Frontenac-Addington),
Elliott,
Esling,
Forke,
Fraser,
Garland (Carleton),
Geary,
Goodison,
Gott,
Grimmer,
Guérin,
Guthrie,
Hanson,
Harris,
Heenan,
Hodgins,
Howden,
Jacobs,
Jenkins,
Johnston (Long Lake),
Johnstone (Cape Breton North-Victoria),
Jones,
Kaiser,
Kay,
King (Kootenay East),
King Mackenzie (Prince Albert),
Lacombe,
Ladner,
Laflamme,
Lanctôt,
Langlois,
Lavigueur,
Letellier,
Macdonald (Glengarry),
MacDonald (Cape Breton South),
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacLaren,
McDiarmid,
McGibbon,
McKenzie,
McMillan,
McRae,
Malcolm,
Matthews,
Maybee,
Mercier (Laurier-Outremont),
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Odette,
Peck,
Perras,
Power,
Preston,
Price,

Ralston,	Smith (Stormont),
Raymond,	Smoke,
Rennie,	Spence (Parkdale),
Rhéaume,	Stevens,
Rinfret,	Stewart (Leeds),
Robb,	Stinson,
Roberge,	Stirling,
Robinson,	Taylor,
Robitaille,	Telford,
Ross (Kingston City),	Thompson,
Ross (Moose Jaw),	Thorson,
Rowe,	Tolmie,
Rutherford,	Totzke,
Ryckman,	Tummon,
Ryerson,	Vallance,
St.-Père,	Veniot,
Sanderson,	Verville,
Séguin,	White (London),
Short,	Young (Saskatoon),
Simpson,	Young (Weyburn).—133.
Sinclair (Queens),	
Sinclair (Wellington North),	

NAYS

Messrs:

Adshead,	Hepburn,
Coote,	Irvine,
Denis (Joliette),	Jelliff,
Dunning,	Kennedy,
Fansher (Last Mountain),	Lovie,
Fansher (Lambton East),	MacLean (Prince),
Gardiner,	McLean (Melfort),
Garland (Bow River),	Millar,
Glen,	Motherwell,
Hall,	Neill,
Heaps,	Spencer,
	Ward,
	Woodsworth.—24.

PEACE RIVER RAILWAY OUTLET

OBJECTION TO MOTION TO CONCUR IN REPORT OF RAILWAY COMMITTEE

Mr. WILLIAM IRVINE (Wetaskiwin) moved:

That the eleventh report of the select standing committee on railways, canals and telegraph lines be now concurred in.

Mr. D. M. KENNEDY (Peace River): I beg again to move the amendment which I moved the other day and which stood as a notice of motion:

That the said report be not now concurred in but that the same be referred back to the select standing committee on railways, canals and telegraph lines with instructions that they have power to amend it by striking out the three following paragraphs:

"The weight of evidence before your committee indicates that, on economic grounds, much construction should not be commenced forthwith, as set forth in the resolution referred to your committee.

Your committee is of opinion that much greater traffic development is necessary in the area to make the building of such outlet economically sound.

[Mr. Speaker.]

Your committee is further of opinion that potentialities of that area are such as to warrant a continuous study of its development."

And substituting the following three paragraphs therefor:

"The evidence shows that there are four possible outlets but that a complete survey has been made of two only.

"Your committee is of the opinion that a complete survey should be undertaken of the Peace pass, Pine pass, and Monkman pass and that on completion of this survey a definite policy of railway development for the Peace river country should be decided upon.

"Your committee further believes that the potentialities of the Peace river district justify the commencement of a permanent outlet as soon as the best route is definitely ascertained."

Hon. S. F. TOLMIE (Victoria, B.C.): Mr. Speaker,—

Mr. ROSS (Moose Jaw): Does this mean, Mr. Speaker, that there are to be all kinds of speeches on the amendment?

Mr. SPEAKER: I have seen the hon. member for Victoria (Mr. Tolmie) and he is entitled to speak.

Mr. TOLMIE: Mr. Speaker, I do not propose to speak at any length on this amendment. When I consider this vast area of country which was thrown open to settlement some time ago—an area rich in agriculture, rich in timber and rich in minerals—and that the shortest possible route to tidewater for the products of this great district is down to the Pacific coast, I feel it is unfair to the settlers to leave them there without any outlet to their market. I know the great handicaps of living in a pioneer country without having suitable outlets for our products. I had experience of farming under those conditions in the early days on the Pacific coast, and therefore I fully appreciate the duty of any government to relieve these conditions at the earliest possible opportunity.

When I contrast the opportunities presented to settlers in this great district and the practicability of connecting it with the seacoast by rail with the present proposal to build a railroad to Hudson bay and take the chances of navigation through the strait, about which very little seems to be known, I say without hesitation that the two projects are not comparable at all. We have evidence of the rich quality of the land in this Peace river country, we have evidence that minerals are to be found there, we have evidence of its great timber resources, and we are assured as far as the outlet is concerned that it is a simple matter of connecting with ports that are open the whole year round. So the opening up of this particular area is not only practic-

able but is certain to result in its rapid development, which will ensure ample traffic for the railway.

Now while I realize that we must be careful before embarking on heavy expenditures for railway construction, and that nothing can be undertaken along this line until the finances of the Dominion are in a somewhat better condition, still I believe we should carry on the necessary surveys in the three other passes that have not yet been explored, and that this work should be commenced during the coming summer. Then when the time comes to consider the building of a railroad from the Peace river to the Pacific coast we will have before us sufficient data to make a careful study of the whole situation.

The view that before we do anything at all we should wait until there is more settlement in that country is in my opinion very narrow. The other day I was looking over the history of British Columbia when she entered confederation in 1871, and I had the pleasure and amusement of reading some of the comments by our public men of that day and also the editorials in the press. Some of the statements to-day strike one as absolutely ludicrous. It was said that not a single bushel of wheat could ever be exported from Saskatchewan to Great Britain because the cost of transportation would exceed the value of the commodity. It was also said that British Columbia was a sea of mountains, and that the traffic would not pay the cost of the axle grease used in the operation of the Canadian Pacific railway. Other so-called authorities said that it was an insane idea to think of building a railroad at all, and that all the resources of the British Empire would not be sufficient to pay the cost of constructing the Canadian Pacific railway and its maintenance. Those opinions were expressed at a time when very little was known of our great western lands even by our leading men and newspaper writers. At that time they did not know that in British Columbia we have more than half the standing timber of Canada, 366 billion feet. It is interesting to know that last year we sold two billion feet of this timber at eighty-two million dollars; that the output of our mines was worth $67,000,000; that our agricultural production west of the mountains is $70,000,000, and that we were responsible for 46 per cent of all the fish produced in Canada. And we have many other advantages in that province, but I will content myself with merely pointing out the great resources of that portion of Canada so as to make it clear to hon. members that to wait for settlement under the present conditions in the Peace river country before a railroad is built will be perhaps to wait a hundred years. From my experience of pioneering days I am confident that that country will not be settled until a railroad is in operation there. I need not point out at any length the part played by our railways in the development of the prairies and the country west of the mountains. A man has to be sure of his market before he will go into those sections and develop the country.

Taking all these things into consideration, Mr. Speaker, I think a survey should be made of these passes as asked for in the amendment, and that the necessary work should be commenced just as soon as practicable. I have much pleasure in supporting the amendment.

Mr. ROBERT GARDINER (Acadia): Mr. Speaker, I wish to remind the House of some important factors connected with the Peace river situation. In the first instance, we must remember that the land in the prairie provinces is held by the crown. The even-numbered sections in most parts of the west, chiefly in Alberta, are left for homestead purposes. Some time about the year 1910 the Department of the Interior advertised the Peace river country as a splendid place for new settlers, and people went there on the understanding that within a reasonable time they would be provided with transportation facilities. We maintain that, a certain policy having been pursued over a number of years, it is now the duty of the federal government when they open these lands for settlement purposes to see that the transportation facilities required by the people are provided. In the Peace river area the federal government has not come to the assistance of the settlers in the matter of transportation facilities to the extent that it has done in other sections of the country. Alberta has been called upon to build these railways and to stand the expense of construction. The province has had to build colonization roads which, because of the policy of the present government, should by right be a charge upon the Dominion. In the circumstances the provincial government now finds itself in the Peace river area with a railway construction costing something like $22,000,000. And that is not all. The provincial government at this moment has many applications for extensions of branch lines to serve people who have been settled since 1912 and who are expecting transportation facilities. We are spending something like $3,000,000 to bring immigrants to this

country, and, after placing them in certain areas, if we fail to give them adequate transportation facilities we simply lose them: they either flock to the cities or they leave the country altogether. What is the use of having an immigration policy if we do not follow it up with a proper system of transportation to meet the requirements of the people whom we bring in? I suggest to the government this morning that in view of the demand of the Peace river people upon the provincial government for an extension of branch lines the federal administration should at the earliest convenient moment determine which of the routes should be selected as the ultimate line to the Pacific coast. There are, I believe, four proposals in contemplation at the present time: the Obed route, the Pine pass, Monkman pass and the Peace river pass. These are the alternatives. If the provincial government go ahead and build branch lines they may build them in the wrong direction from the standpoint of the ultimate outlet to the Pacific, and it is only fair to the people of the Peace river district and to the provincial government that the route finally to be decided upon should be chosen as quickly as possible so that we may know how to build in the future, I appeal to the government therefore to accept at least the proposal that an instrumental survey be made immediately and that the route be chosen. When that is done, when the route is determined upon, then if the provincial government is compelled to extend branch lines this government will know in which direction to construct its roads so that there may be no duplication and no branch lines will be wasted in the future. Let me remind the House that we have a considerable railway problem on our hands, a problem which is costing us a good deal of money. But how did we come into that problem? We came into it exactly as I have described, by throwing open large areas of land and letting people settle wherever they pleased, without recognizing the fact that they must be provided with transportation facilities before they can produce and market their crops. I appeal to the Minister of Railways (Mr. Dunning) in the hope that he will accept the suggestion I offer, which is the least the government can do in the circumstances.

Mr. DUNNING: If my hon. friend will withdraw the amendment, which goes further, I shall be pleased to accept the suggestion right now.

Mr. GARDINER: I have nothing more to say on the question. I do not wish to take up the time of the House further but I make that proposal as a fair one under present conditions.

Hon. CHARLES STEWART (Minister of the Interior): As one who has been interested for almost twenty years in the Peace river country and who, I believe, recommended to the Alberta government the construction of the Edmonton-Dunvegan railway to serve the people of that territory, I can say with some assurance that I know something about the situation there. I travelled through that district before there was a railway in the country, my object being to advise the provincial government what should be done. Perhaps I may be allowed to recite briefly the situation as it existed in 1913.

The Canadian National Railways projected a line into the Peace river country by White Court, crossing the Macleod river and heading for the Peace river pass. In my opinion no other road will serve the country as acceptably as the route by the Peace river pass, and I have never thought otherwise. I believe the reconnaissance surveys made at that time amply warrant that statement; it is the only outlet that will properly serve that whole country. Other routes have been discussed but they will all entail a longer mileage and a more expensive haulage than the road by the Peace river pass. In support of my hon. friend from Victoria (Mr. Tolmie), I may add that the Peace river route will open up a greater area of good agricultural country in British Columbia than any other road proposed. A road from Grande Prairie to Obed would not meet the requirements of any considerable proportion of the country, while the mileage would be longer and the cost greater. When I went into the Peace river country I found a great many people who had gone in during the winter and had passed a period of two years away from civilization. I therefore recommended the construction of the Edmonton-Dunvegan railway and that road has served the territory fairly well, apart from the fact that it necessitates a big haul for grain and live stock which would be avoided if there was an outlet to the coast. I am a strong advocate of the outlet to the coast and I support the suggestion that there be a survey made with a view to having the route definitely settled, this year if possible. I see no reason why that should not be done. I understand however that the committee went thoroughly into the matter and I am afraid that there is an impression abroad in the minds of a good many members that the Peace river route would involve not only the construction of

a connection between Fort George and the existing Edmonton-Dunvegan railway, but also the purchase of that railway and the Pacific Great Eastern railway, both of which have entailed considerable expenditure. So far as I am concerned, with the information before me, I am perfectly agreeable to the suggestion of an immediate survey in order to submit to the House at the next session all the evidence available, and to have parliament take action thereon at that time. As I said before, however, the committee gave the matter serious consideration, and now that it has reported to the House I propose to stand by its finding.

Mr. J. A. FRASER (Cariboo): I am pleased to hear what the Minister of the Interior (Mr. Stewart, Edmonton) has had to say. Because with his extensive knowledge of the country his remarks carry great weight. A vast body of opinion has grown up from information available before the railway committee and I am sure that if hon. members will study that report carefully they will come to the conclusion that the Peace river country is not asking for anything unreasonable. Let us consider for a moment what we are aiming at. In the first place, we are trying to bring into economical use an area of great potentialities. Canada requires just such areas to afford its population the employment they need, and that particular district contains very large tracts of agricultural land of proven value. Those lands are without adequate transportation facilities. There are very substantial areas of timber in the same region, as well as adjacent water powers which in my opinion would be sufficient to electrify a railway from the Peace river country to the coast, which should appeal to the House after the discussion we had during this session in regard to electrical energy. In addition to that, there are many mineral developments which would be opened up by a properly located railway; there is no doubt about the minerals located in the Omineca area, and very large recoveries may be expected not only of gold and silver but of zinc, lead and copper as well. That will give an idea of the possibilities of this route.

Why do the people in that area look to the Pacific for an outlet instead of to the east? Just consider for one moment that a railway 800 miles in length will provide them with an outlet to the Pacific coast which is open the year round, while if they come east they must ship their products three times that distance in order to get them to Montreal, which is only open six or seven months of the year. The report which I have under my hand seems to indicate that if a road were built to the Pacific it would not be possible to lessen the cost of transportation. Can you imagine the people of the Peace river country subscribing to an idea of that kind when they have only 800 miles to travel to the Pacific, where they will have a port open the year round, while they are 3,000 miles from the Atlantic? You cannot make the people of that country believe that their proper outlet is not to the Pacific coast.

Now let me take up for a few moments the report presented by the engineers, in which they eliminate the possibility of all traffic except that resulting from agriculture. After what I have said in regard to the other potentialities of that district, I am sure that no member of this House will agree with that opinion. I am sure the engineers have surveyed this matter in a general way, but in my opinion they have not given it the careful consideration which the problem requires. So far as the engineers are concerned I believe they presented their report in good faith but in any case, as pointed out by the Minister of the Interior, there is no doubt that the question of the Obed route will not in any way relieve the necessities of the Peace river country. That is a temporary expedient of the worst kind, and should not be considered for one moment. The Premiers of Alberta and British Columbia appeared before that committee and condemned this route, and I should think that would be sufficient evidence to make this House forget all about it.

Now let me draw a picture, if I can, of the situation connected with the Peace river outlet, and in my opinion the Minister of the Interior (Mr. Stewart) was absolutely right when he said there is no route to consider except that via the Peace river itself, which has been the natural route into that country from time immemorial. British Columbia was first opened up by the Peace river route, which has continued in use up to the present time. On this route is the lowest continental divide on the North American continent, 2,350 feet; all other proposed routes must climb to an elevation of at least 3,750 feet, and when grades are such a compelling factor in the construction of a railway, I submit that this question must be given very serious consideration. Let me point out again that taking into consideration the topography of that country, everything indicates that the controlling factors from a transportation point of view all converge at Prince George; all these routes come to that point.

There you have at present the Canadian National railways running from Red Pass Junction to Prince Rupert, and a very significant statement was made in the committee the other day by the Deputy Minister of Railways for Alberta, who stated that if you do not provide the Canadian National Railways with the traffic of the Peace river country there is no justification for further continuing the operation of the Grand Trunk Pacific branch of the Canadian National from Red Pass Junction to Prince Rupert. That road carries an investment of the people's money of something like $70,000,000 or $80,000,000, and its operating loss alone is something like $2,000,000, per annum. If you are going to give that road an opportunity of doing away with that operating loss, you must give it the traffic from the Peace river country. The railway is tributary to that country, and, as stated by the deputy minister, that is the only opportunity the road has of paying, so far as the people of this Dominion are concerned.

Mr. DUNNING: My hon. friend will not object to making it clear that that statement was made by the Deputy Minister of Railways for Alberta, not our deputy minister.

Mr. FRASER: I thought I had said so; that is quite true. Prince George is the centre of that whole country, and if you bring this railway through the Peace river pass you not only have the opportunity of shipping grain to Prince Rupert, but you have the alternative route to Vancouver, and if you are not satisfied with either of those you have the third alternative of providing a new route down the Fraser river from Prince George to Vancouver, a distance of 480 miles with a grade of four-tenths. I submit that the solution of the whole proposition is to connect Prince George with the Peace river country, and I submit that the solution is not difficult; it will be necessary to build only 400 miles of road, and there is no necessity for a preliminary survey at present. Put your engineers to work, make your location surveys and go ahead and build the road.

What will be the expenditure entailed? I have the estimate of the Deputy Minister of Railways for Alberta, given before the committee, in which he gave an expenditure of $12,160,000 as necessary to connect the Peace river country with Prince George via Pine pass. It is from 50 to 75 miles longer via the Peace river pass, but if you add a proportionate amount for the extra mileage, construction of the road by way of Peace river pass will entail an expenditure not exceeding $15,000,000. That is all that is required from the government at present. It is not a question of the immediate investment of another $100,000,000, or $80,000,000, or even $60,000,000; what is involved at the present time is simply the investment of another $15,000,000.

Now I am going to take up an angle of this question which has never been presented, so far as I know, either before the committee or anywhere else. I have an intimate connection with this railway problem by virtue of the fact that during the time of the construction of the Grand Trunk Pacific and the Pacific Great Eastern, I represented that district in the local legislature. My connection, in the first place, with the Pacific Great Eastern dates away back to 1912, and 50 or 60 per cent of that road was within the confines of the district that I represented locally. You can readily understand, therefore, that it was impossible for me to do otherwise than gain some knowledge in regard to this question. The point I want to make is this: The province of Alberta and British Columbia are in exactly the same position so far as this question is concerned. It will be found from the records, which are easily available to every member of this House, that except for fifty miles—as stated by the Premier of Alberta the other day—not a single dollar of money has been contributed towards the construction of this railway by way of cash subventions from the federal government. I submit and know that when we undertook the construction of the railway in British Columbia we expected to receive a cash subvention from this country of $6,400 per mile. The province of Alberta is in exactly the same position, and you can easily see the strength in my argument when I tell you that the government of that province received a cash subsidy of $6,400 per mile towards the construction of fifty miles of the railway. Now my point is that the province of Alberta has made an investment of $40,000,000 in provincial railways for the purpose of developing that province which naturally belonged to the federal government, because the lines in that province are federal lines. Such being the case the province would naturally expect some assistance from the federal government when railway lines were built in that province, especially when it is remembered that Alberta does not possess her natural resources. The province of British Columbia is in a different position in that regard. She has invested in the railway $50,000,000, but both provinces came before the committee and said that they had gone to the length of their financial resources as regards the completion of these railways. My point is this: There is a

thousand miles of railway undertaken by these two provinces for no part of which, other than the fifty miles already referred to, has any federal assistance been received. Now whether this project goes through parliament this year or not, both these provinces are going to make a claim for a cash subvention, and in my opinion they certainly are entitled to it. They are entitled to it because if you refer to the report of the Department of Railways and Canals you will find that subsidies have been provided in the case of all the other provinces to an amount of $78,000,000. Do you mean to tell me, therefore, that if it is the general policy of the Dominion government to provide cash subventions for the construction of these railways, the provinces of Alberta and British Columbia are not to make claims for these grants?

Mr. DUNNING: Was it the policy of the federal government, at the time these railways were commenced, to grant such subsidies anywhere in Canada?

Mr. FRASER: All over Canada, I tell the minister.

Mr. DUNNING: At the time these railways were commenced?

Mr. FRASER: At the time these lines were commenced.

Mr. DUNNING: And they were commenced when?

Mr. FRASER: In 1912.

Mr. DUNNING: My hon. friend will remember who was in power in 1912.

Mr. FRASER: Certainly I remember who was in power in 1912. The proof of what I say is that the province of Alberta, in line with that general policy, made application for a cash subvention for fifty miles and actually received it. The Premier of Alberta admitted that at the conference the other day. Now when you take this thousand miles of railway and multiply that mileage by $6,400, you will find it amounts to $6,400,000. Therefore I say that in any case the federal government is going to be presented with a bill for that sum. In addition, the total expenditure for connecting this road up to Fort George and the Peace river country is only $15,000,000. So that all we are asking the federal government to do in connection with the construction of the line is to put up about $8,000,000 in addition to what they will have to pay in any case. I submit that is not a very unreasonable demand to make on behalf of the people who are in the Peace river country, when you take into consideration the amount of available land and the other possibilities there are in that district. At the present time I am speaking on behalf of the people of the district and pointing out the potentialities of that country. Now may I point out that the House is already committed to very substantial expenditures which are not justified if the Peace River railway is not undertaken and an outlet provided for that country. We have undertaken liabilities to the extent of $20,000,000 in connection with the branch line program of the Canadian National Railways, and these further amounts are being voted: $10,000,000 to satisfy the claims of the maritimes; $5,000,000 for the construction of the Hudson Bay railway, which the hon. member for Victoria, B.C., very well remarked could not be justified at all on the same grounds as those which justify the construction of the Peace River railway, and there is the further fact to be borne in mind that there is a prospective liability of another $20,000,000; $4,000,000 to beautify the city of Ottawa; $250,000 for the diamond jubilee; $3,000,000 of an increase for the civil servants; and an increase of $2,000,000 for the air service. The people of Peace River have not complained about these expenditures, they do not argue that these expenditures are not justified; but they do say that when a reasonable claim is made on their behalf they are entitled to the same consideration as the people in other parts of the Dominion.

Now, I want to consider as briefly as I can some of the evidence submitted to the committee in regard to the area of land available in that district. The engineers report that there are eight and a half million acres of agricultural land available for development in the limited area they had under consideration. An officer of the Department of the Interior, a man of experience, a man who has been over the district judging from his remarks, estimated that in the same area there were 12,000,000 acres of land of that sort. There you have a discrepancy right at the start, and that acreage is only in a limited area. I maintain there are 25,000,000 acres easily available for agricultural development. The engineers will only admit a maximum total of 2,790,000 tons of freight for the area they were considering—not the minimum but the maximum—and let me say that they exclude everything except the products of agriculture—they give no credit for anything else. If the estimate of the engineers is correct as to the tonnage and the acreage you have a total yield from each acre of land of 0.33, or one-third of a ton from each acre. The Premier of Alberta when

he was before the committee stated that the actual tonnage of the Peace River crop this year moved over this line amounted to 179,611 tons. Now the minimum tonnage which the engineers estimated could be developed within ten or fifteen years was 170,000 tons, so at the present time the Peace river country is producing, according to Premier Brownlee's statement, more than the minimum tonnage which the engineers estimated it was possible for that country to produce within the next ten or fifteen years. That tonnage was produced from 270,000 acres of land under cultivation, which amounts to .66 tons per acre, or two-thirds of a ton; in other words, the actual tonnage at present is exactly double what the engineers estimated in their report. I do not think it is fair to allow the impression to go all over this country that the tonnage will amount to only one-third of a ton per acre, when it is actually twice that now. Taking Premier Brownlee's figures, and the figure of 8,500,000 acres which the engineers admit is in that area, that territory will produce if the same ratio of production is applied to the whole area, 5,600,000 tons of freight, which is double the maximum tonnage estimated by the engineers.

I want to impress upon the House, first, that the construction of this railway will simply be the ordinary railway construction. That is stated in the report. The grade required to connect these two points I have mentioned is four-tenths of one per cent; all the engineers admit that. Not only that, but it is the lowest grade which the engineers have submitted for any of these routes. The Peace river pass provides the best gradient for the opening up of that country. In addition to that, on page 15 of the engineers' report you will find that they admit that the Peace river route is the most likely to produce the maximum traffic.

Now I want the House to ask itself this question. What are we considering? Are we considering simply the construction of a temporary expedient which will last only a few years and then have to be reconstructed, or are we considering the construction of a permanent railway that will have for its object the maximum development of that country? If you are thinking of permanent construction for the maximum development of the country, I submit that you should take the long view and put the railway where the best grades are, even if it involves a little longer mileage. Again I repeat, the summit of 2,350 feet is the lowest on the North American continent.

In conclusion, Mr. Speaker, after the promises that have been made not only by this government—I do not want to inject any political animus into this question at all—after the inducements that have been held out to people to go into that country and settle, such as the literature of the federal government which was read in the committee, and the situation being what it is at the present time, I do submit that this House would be justified in going ahead during the coming year and making an actual location survey of that route for the permanent development of that country. It is the shortest route to the coast, and there is no proper way of providing an outlet except as I have indicated. I state that on my responsibility as a resident of that country for just about forty years. I know the situation of the people who went into that country expecting this railway to be built, and I do submit that in view of all the frills and furbelows for which we have been voting money here this session, this is the most reasonable, the most sensible, and the most feasible project that has been submitted to parliament this session.

Mr. A. M. YOUNG (Saskatoon): Mr. Speaker, as acting chairman of the railway committee I think perhaps I should say just a word as to what took place in the committee. I do not intend to delay the House longer than a very few minutes.

In the committee a very great deal of time was given to the study of this question. We had before us the chief engineers of the Canadian National and the Canadian Pacific Railways, the men who were responsible for the preparation of the report that has been mentioned. We had also before us Premier Oliver of British Columbia and Premier Brownlee of Alberta, also the Deputy Minister of Railways and the Chief Engineer of the province of Alberta. We adjourned from day to day in order that all the evidence might be brought before the committee.

With regard to the engineers' report, I would like to say in the first place that I am not going into any details whatever, but that report distinctly is of the opinion that it is economically unsound, in view of the present volume of traffic, to begin to construct further railways in that country. I would like to quote just a few words from Premier Oliver's address. After stating at length the policy which he favoured he said:

> The policy outlined will require the expenditure of a large amount of money and the present volume of business may not warrant further capital expenditures. Any policy adopted should afford a reasonable assurance that in a short time the returns from the expenditure made would be sufficient to meet operation and maintenance as well as interest charges, and eventually liquidate the original capital outlay.

Then he asked himself this question:

Is it practical to justify the necessary expenditures by the production of a sufficiency of revenue, and if so, how is it to be done?

He answered that in this way:

A careful and conservative survey of available resources should be had, and a liberal estimate of expenditures and time necessary to develop the resources so as to provide a volume of traffic sufficient to make the railway pay should also be made. The methods to be employed and the costs incurred in procuring the necessary population and development should be considered. There are many other factors also, but generally speaking, settlement and development upon a sufficiently large scale is imperatively necessary to accompany railway construction. Any other course would be madness.

Premier Brownlee had this to say in reply to a question by the hon. Minister of Railways:

So far as I am concerned I have tried to indicate—I may have failed in my argument—that in my opinion, steps should be taken at once to lay down a program leading to the ultimate development of the Pacific coast outlet. I think there should be some kind of a body gathered together, such as an independent commission, to hear evidence as to the proper outlet. A definite program should be laid down that the route will go a certain way, and the necessary extensions should be made at once to adequately serve the territory. So far as the time of completion is concerned, I would prefer to leave that, to some extent at least, to those who are engaged in developing the route, having regard to the increased traffic that would come from a move of this kind.

Then the Minister of Railways asked him the following question:

It would involve, in your judgment, the taking over of the E. D. and B. C.?

To which Premier Brownlee replied:

Yes.

I want to go a little further and say that the engineers and Premier Oliver and Premier Brownlee and the Deputy Minister of Railways of Alberta apparently do not agree on which is the best route. Both premiers are apparently of the opinion that this matter should be further studied. That is as far as I wish to go in regard to the evidence.

Apparently we are all decided that the Peace river country has wonderful possibilities, and that those possibilities should not be neglected, but at the same time all seem to agree that we have not sufficient data at the present time to proceed forthwith with construction. What does the resolution call for?

Mr. POULIOT: What would be the approximate cost?

Mr. YOUNG (Saskatoon): I do not think I can go into that question. We had the approximate cost of several sections of the road but I am not an expert in the cost of railways. The resolution submitted to the House says:

That, in the opinion of this House, the time has arrived for the commencement forthwith, and the completion in the near future of a direct railway outlet from the Peace river country to the Pacific coast.

Having regard to the evidence before us, we in the committee did not believe that we could recommend that this be done forthwith. The actual report which has been submitted to this House was submitted to the committee and, upon the question being put, was passed by the committee unanimously, with the exception of a few members.

Mr. GARDINER: How long before the committee rose was this report submitted to them? Is it not a fact that it was submitted after only a few minutes' notice and with no opportunity to consider it?

Mr. YOUNG (Saskatoon): There was no limitation to discussion in that committee. The report of the committee goes on to say:

Your committee, having heard evidence on the subject matter of the resolution from the premiers of Alberta and British Columbia and from engineers who have investigated this project, and others, is of opinion that building a western outlet from the Peace river area is feasible from an engineering standpoint.

The next clause reads:

The weight of evidence before your committee indicates that, on economic grounds, such construction should not be commenced forthwith, as set forth in the resolution referred to your committee.

Your committee is of opinion that much greater traffic development is necessary in the area to make the building of such outlet economically sound.

I understand the hon. member for Peace River takes more objection to the last clause than to any other. The report continues:

Your committee is further of opinion that potentialities of that area are such as to warrant a continuous study of its development.

I think the hon. member said that the effect of the last clause would be that this project would be shelved. In my humble opinion this clause means the very reverse of that—that the potentialities are such that the matter cannot be neglected, but that a continuous study should be made; not that that study should be given next year, but that it should begin now in the interests of the development of the country. So that, instead of the report of the committee meaning delay, I take it that it means that the study should

begin now, that it should proceed with as much haste as possible, and that after all the matters are investigated a policy should be brought to the House and should be acted upon as soon thereafter as possible.

Mr. KENNEDY: I should like to ask the hon. member to state one thing which the report recommends should be done.

Mr. YOUNG (Saskatoon): There was no limitation placed upon it. It says "continuous study." That means, not a study of one branch, but a study of all phases, and a report brought in and acted upon. I think that is a fair statement of the facts.

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): I should like to make a few remarks on this matter before the debate is closed. One can well understand the anxiety of the hon. member for Peace River (Mr. Kennedy); as he has himself said, he is here for this purpose. I think perhaps he over-states it when he says that, but at least it is the most important objective he has in view, as the representative from Peace River. Therefore one must commend him for diligence in prosecuting this matter

Mr. KENNEDY The minister is merely stating his own opinion.

Mr. DUNNING: I am commending my hon. friend for his diligence in prosecuting it. If he disagrees with that opinion, I could offer some criticism as to the method followed by the hon. member in endeavouring to get the support of other hon. members with respect to the problems of his district, but I will refrain from doing so. There is an old saying that you can catch more flies with molasses than with vinegar, which I hope my hon. friend will take to heart. With regard to the treatment accorded the matter by the House and by its committee, I think I am safe in saying that no question has been given fairer consideration by this House, or by one of its largest committees, than the question raised by the hon. member for Peace River on this resolution. I have in my hand the printed evidence taken on motion of my hon. friend and available to him for his own purposes for propaganda, to which I register no objection at all. The committee agreed to that and spent day after day on the matter, and heard evidence from the engineers who drafted the report; the report was agreed to as a result of former representations by my hon. friend and those interested in the project. My hon. friend had perfect liberty to cross-examine the engineers and I am prepared to leave it to the judgment of any member of this House as to whether or not the reading of the evidence of those engineers justified in the main the position they took in the report. I am willing to leave it to the people most nearly concerned, the people of Peace river district. The committee heard evidence also from the premiers of British Columbia and Alberta. The resolution moved originally in this House by the hon. member for Peace River and submitted to the committee does not represent the full picture of the problem of the Peace river country by any means. I offer in testimony in that regard the evidence of the premiers of British Columbia and Alberta, both of whom urged the committee to look into the matter carefully, and to look at what they described as the larger picture or the larger question. And what is that? Not only an outlet from the Peace river line to Prince George, but the position of each of the two provinces with respect to the lines now owned by themselves—a much larger picture from the point of view of the financial commitment by this Dominion than is involved in the resolution submitted to the House by the hon. member for Peace River. As Minister of Railways, responsible in some degree, I cannot ignore that larger picture which was also presented by my hon. friend from Cariboo (Mr. Fraser). I find no fault with him for presenting it. We might differ in opinion as to the extent to which those considerations should be taken into account, but we cannot ignore the fact that, from the point of view of the people of the two provinces, very much more is involved than the building of a railway from the Edmonton, Dunvegan and British Columbia line to Prince George.

Mr. FRASER: Does the minister not think, having regard to what has been done by the provinces, that taking the larger picture he is submitting now he would get reasonable assistance from those provinces for the further development of the project?

Mr. DUNNING: My impression, after listening to the premiers of those two provinces, was that what they wanted was not so much to give assistance to the Dominion, as it was to get the Dominion to take off their hands two white elephants which they possess. That was the view held by members of the committee.

Mr. FRASER: So far as we are concerned, we did not consider the Pacific Great Eastern a white elephant. It would not be a white elephant at all, if it were properly proceeded

with. It is because it is hung up in the air that it is a white elephant as the Liberal government said at the time.

Mr .DUNNING: I am sorry, Mr. Speaker, if the use of the term "white elephant" is offensive. I intended merely to convey the idea that by the testimony of their respective premiers the provinces now have railways on their hands which are involving them every year not only in very heavy operating deficits, but that also they do not earn a cent toward their capital charges.

Mr. BENNETT: A deficit of a million a year in Alberta.

Mr. DUNNING: A deficit of a million a year in Alberta, my hon. friend from West Calgary says. I believe that was the figure submitted by the premier of Alberta. I merely used the term "white elephant" as illustrating that condition. This government is not prepared immediately to take any position which can be construed as an admission that the Dominion must take over the liabilities of these provinces. I am not saying that in the working out of a larger picture consideration will not be given to these factors, I am not in any sense closing the door, but I do say that in the light of the information now available, and in the light of the present railway responsibilities of the Dominion, we are not ready to proceed forthwith along that line.

Confining my remarks now entirely to the outlet, the cut-off, so far as the people now in the Peace river country are concerned, may I, with all respect, point out to the House that they are not at such a very great disadvantage in shipping their products to the Pacific coast as compared with the people of the central west generally. With regard to freight rates alone, may I point out that the furthest distant points on the existing Edmonton, Dunvegan and central Canada railways have a freight rate to Vancouver exactly similar to the freight rate paid from points in central and western Saskatchewan in the neighbourhood of Saskatoon. In other words, it is just as cheap for the people of the Peace river country to get their grain to the Pacific coast over their existing lines as it is for the people in central Saskatchewan to ship their grain to the Pacific coast. That is the degree of the disadvantage and the discrimination under which they labour.

I said a little time ago that I did not think any case had been given fairer consideration by a committee than this particular case. The committee's report was moved and seconded and agreed to. My hon. friend from Acadia (Mr. Gardiner) complains that the proceedings of the committee terminated shortly thereafter. He does not suggest, I gather, that no opportunity was given by the chairman of the committee to those associated with him to move the amendment to the report which they now move in this House. I submit that the proper procedure to amend the report was, in the first instance, to attempt to do so before the committee of the House dealing with the matter, which had the advantage, not possessed by this House, of having heard all the evidence submitted. If the hon. members were dissatisfied with the draft report as presented before that committee, it was within their power there to have moved the amendment which they now bring before the House, and so to have brought to bear upon it the judgment of the members of the committee who had the advantage of hearing the evidence. They did not do that. I gather from the remarks of the hon. member for Acadia that the proceedings terminated shortly thereafter. I would have thought that hon. members so vitally interested would themselves have drafted something in the nature of the report which they desired the committee to make, and would have been ready to present it to the committee. I confess frankly that one or two members of the committee coöperated that morning in an endeavour to shape up what appeared to be the consensus of opinion. There was no effort on the part of the members most interested to put before the committee anything in the nature of a draft report, nor was there any effort on their part to amend the draft report which was put before the committee.

Mr. GARDINER: Is it not true that the chairman of the committee and the hon. minister were the only ones that coöperated in drafting the report, and that it was drafted only a few minutes before its submission to the committee?

Mr. DUNNING: That is not true, Mr. Speaker. Several of its members spoke to me during the sittings of the committee as to the nature of the report which should be submitted, and that morning I think—probably the chairman will confirm me—half a dozen drafts of one kind and another were before the chairman and myself, emanating from one source or another. But that is not my point. I submit my friends from Alberta had an opportunity in the committee of moving the amendment which they now move in the House. I am not complaining, but I must confess their doing so did take me somewhat by surprise. I was made aware of their in-

tention only three-quarters of an hour before they took action, and consequently I had very little opportunity to look into the procedure necessary.

Mr. KENNEDY: The minister surely will admit that when I sent him a copy of the amendment I intimated that I was willing to wait a day or even two days before moving it?

Mr. DUNNING: Yes. I would further point out that in the committee itself, on the motion that the report be adopted, there were only a very few dissentient voices. I think I can fairly say that members of the committee from the opposite side as well as members from this side who attended the sessions faithfully were impressed with the manner in which the evidence was presented, and concurred pretty generally in the judgment of the committee as presented in the report.

In answer to my hon. friend from Cariboo (Mr. Fraser) with respect to his support of the suggestion by the deputy minister of Railways for Alberta that unless action as proposed by the amendment is taken the line from the Red pass junction to Prince Rupert will have to be abandoned, I want to say with all the force at my command that we have no intention whatever of abandoning that line, even if no outlet from the Peace river is ever built. We intend to continue to build up that line and its resources and the port at the end of it.

As to the engineers' estimates quoted by my hon. friend from Cariboo, in my experience when I had before me estimates from four or five engineers with respect to the cost of a particular project, I have found it the part of wisdom to base my calculations upon the highest estimate, not the lowest, because it is well known that in large construction projects the tendency is for the actual cost of construction to go beyond the estimate. In this case, my hon. friend based all his calculations upon the evidence of Mr. Calloghan, chief engineer for the province of Alberta, which disagrees with the evidence submitted by the four eminent engineers who signed the report. Mr. Calloghan's estimate is very much below the estimates of the other engineers.

I will not discuss the question of Dominion subsidies to provincial railways. I think my hon. friend will find that the provincial lines to which he refers were built after the time when the Dominion discontinued the policy of granting subsidies.

Mr. FRASER: I must absolutely disagree with the minister on that point.

[Mr. Dunning.]

Mr. DUNNING: Then the hon. gentleman must account in some way for the fact that the party of which he is such a distinguished member, and which was in power at that time, did not make any move to grant subsidies in these particular cases.

Mr. STEVENS: In 1912 a subsidy was voted of $6,400 a mile for a line into the Peace River district, which subsidy expired in 1914, when it was renewed for a further two years. But it was not applicable to provincial roads. It was voted for a road into that district.

Mr. FRASER: In answer to the point—

Mr. SPEAKER: Order. The hon. gentleman has already spoken. Is he putting a question?

Mr. FRASER: No, Mr. Speaker.

Mr. DUNNING: I am afraid the hon. member for Vancouver Centre (Mr. Stevens) has not helped the situation very much with respect to the complaint of the hon. member for Cariboo. That complaint, to put it in his own words, is that the provinces have a bill to present to the Dominion for $6,400 per mile for the whole mileage they have constructed.

Mr. FRASER: They sure have.

Mr. DUNNING: My hon. friend from Vancouver Centre says, and I believe very correctly, that the subsidies voted by this parliament with respect to roads into that area were not applicable to provincial roads.

Mr. STEVENS: The minister has not stated the matter correctly. He said that the parliament of the day did not think it wise to vote any subsidies for roads in that district.

Mr. DUNNING: For these roads.

Mr. STEVENS: I tell him that not only was a vote passed but a bill actually went through parliament in 1912 for a subsidy to a line into the Peace river country. It was not however applicable to a purely provincial road, and naturally so. This road, the Pacific Great Eastern, was built by the province but it was understood that later on, when the connection was made with the Peace river district, the bill in question would become applicable.

Mr. FRASER: Is it not apparent to the minister that the real reason for the suspension of the subsidies was the war, the Dominion government requiring all its resources at that time?

Mr. DUNNING: I shall have to let my hon. friend from Cariboo and the hon. member for Vancouver Centre settle that point between themselves. It is at least quite apparent that the claim made by the hon. member for Cariboo with reference to this big bill to which he has alluded has been well answered by the statements of the hon. member for Vancouver Centre. The subsidies did not apply to provincial roads, says the hon. member for Vancouver Centre. These two roads were then and are still provincial roads. My hon. friend from Peace River (Mr. Kennedy) might well pray to be delivered from his friends, for I am sure that it does not forward the task of getting through this parliament a vote for the Peace river outlet to have submitted to us prospective bills of all sorts both by the premiers of British Columbia and Alberta and, in further degree, by my hon. friend from Cariboo.

Mr. BENNETT: You will pay for them just before the next election.

Mr. DUNNING: We shall pay for them before the next election, says my hon. friend. Well, that brings me to the suggestion put forward by the hon. member for Acadia (Mr Gardiner), the leader of the United Farmers of Alberta group. That hon. gentleman proposes that as soon as practicable we determine which of the passes should be used for the railway when it is built, without in any way committing ourselves to the construction of the railway this year or next year or in the immediate future. That I understood to be his suggestion. I intimated while the hon. member was speaking that the government was prepared to accede to that request if the amendment now before the House were withdrawn; and, indeed, whether it is withdrawn or not—my hon. friend can press it to a vote if he desires—the government does intend in any event to secure further detailed engineering information in order to be able to say to the people of the Peace river country and to the people of British Columbia, who are vitally affected, "When a western outlet is built, this in our opinion is the pass through which that line of railway should be constructed." We are prepared to do that in any case.

My objection to the amendment is this: it does seek to commit this parliament more definitely than I think the facts now available warrant us in committing ourselves so far as the immediate future is concerned. My hon. friend from Peace River naturally desires something to which he can in the future refer back and say, "The parliament of Canada said so and so; parliament decided to do this immediately." That is the general tenor of the amendment, particularly in its last two paragraphs. The government is prepared to go the length I have indicated to the hon. member for Acadia. We are prepared to ask the Canadian National Railways to determine definitely as early as possible which pass should be used when a railway is to be constructed from the Peace river country into British Columbia and down to Prince George. That is as far as we are ready to go at present.

Mr. FRASER: Would the minister be prepared to go the length of allowing the deputy ministers of the two provinces to be associated in the suggested inquiry by the Canadian National Railways?

Mr. DUNNING: I should not like to give offhand an answer to that question. After all it is a matter of assembling engineering data and making an instrumental survey. That is what is involved. We heard a great deal before the railway committee about surveys of various kinds, but undoubtedly in this matter an instrumental survey would be necessary. It is a question of getting the facts.

Mr. BENNETT: An election survey?

Mr. DUNNING: There is no election in prospect.

Mr. FRASER: Is it not apparent in any case that these bodies will have to be associated with the Canadian National Railways in the determination of this complicated problem?

Mr. DUNNING: I can assure my hon. friend that every consideration will be given along that line to the views of the governments of Alberta and British Columbia. I will not say that we will have this deputy minister or that deputy minister associated with the work. I do not know where that might lead. It might, of course, prove to be practicable but I should prefer not to be committed in advance at this time. I want the House clearly to understand that beyond that limit the government is not prepared at this session to go; and my hon. friend from Peace River in the light of the evidence submitted to the committee, is rather unreasonable in asking us for a further commitment than that. If he presses his amendment I shall very reluctantly be compelled to vote against it for the reasons I have stated. I do not want to find myself in the position of being represented as opposing the development of the Peace river area. In conclusion I would call to the attention of the House the evidence before the committee as to what would really be involved in this matter. I submit that a fair calculation of what would

be really involved, to carry out the desires of the governments of the two provinces and to build the outlet as well, would fall not very far short of $85,000,000 before we got through with it, and for that reason I do not think it fair to press the government to a commitment on an enterprise of such proportions immediately.

Mr. WILLIAM IRVINE (Wetaskiwin): Does the minister really say that the amendment would involve such a commitment as he has just indicated?

Mr. DUNNING: No, I would not say that exactly, but it would involve approval of a basis of action by this House which I believe would ultimately result in an expenditure of that size.

Mr. IRVINE: Mr. Speaker—

The SPEAKER: The hon. member has already spoken.

Mr. IRVINE: I wish to speak to the amendment. It occurs to me that the Minister of Railways (Mr. Dunning) has taken the amendment much too seriously. He suggests that if we want to catch flies we ought to proceed in some other manner. Let me assure him that I am not trying to catch flies, nor do I regard the minister himself as one of that breed. Neither do I think the member for Peace River (Mr. Kennedy) has in mind any political or ulterior motive in moving the amendment. We consider the minister fair and we believe he intends to do the best he can for the people of Canada. We therefore present the case to him on a basis that is reasonable.

The situation in Peace River is not denied. The necessity for the railway for which we are asking is admitted by everyone and more specifically by the minister himself than by anybody else. Speaking on a resolution moved by the hon. member for Peace River the minister used these words:

> —as the engineers' report demonstrates, there is undoubtedly need for some further branch line construction on the Edmonton, Dunvegan and British Columbia system in order to enable the country to fully develop, in order to assist in its settlement and encourage immigrants, but in the main the problem is one of providing a more economical outlet—

The amendment moved by the hon. member for Peace River has only that object in view. We are not seeking to commit parliament or the government to the taking over of all the government railways of British Columbia or all the government railways of Alberta. This may be subsequently considered, as the minister has said.

[Mr. Dunning.]

Mr. DUNNING: Might I just point out to my hon. friend that the last paragraph except one of the amendment contains the following:

> —and that on completion of this survey a definite policy of railway development for the Peace river country should be decided upon.

That is the country which is now partly served by a provincial railway.

Mr. IRVINE: We are seeking to lay down some policy regarding the whole railway problem, and are not trying to commit this parliament to the taking over of one or the other of the provincially owned systems.

I think the minister has indicated that the suggestion of the hon. member for Acadia (Mr. Gardiner) would be acceptable to the government. As I understood that suggestion, it was that some progress towards providing the people of the Peace river district with transportation facilities should be made, and that in order that this progress might be made, he suggested an instrumental survey with the view of determining an outlet in order that subsequent branch lines may tend to the development of such an outlet.

At one o'clock the House took recess.

The House resumed at three o'clock.

PRIVATE BILLS

SUN LIFE ASSURANCE COMPANY OF CANADA

Mr. C. H. CAHAN (St. Lawrence-St. George) moved the third reading of Bill No. 107, respecting the Sun Life Assurance Company of Canada.

Mr. H. E. SPENCER (Battle River): When opposing this bill last night I submitted an amendment to clause 2, which reads as follows:

> Of the capital stock to be hereafter issued no shares shall be distributed to the stockholders as dividends or bonuses, or shall be issued in any other way than in return for the payment to the company of at least the full par value thereof.
>
> After the issue of any capital in excess of two million dollars, no dividend to shareholders shall be declared by the company in excess of fifteen per cent per annum.

The supporters of the bill objected to the second part of this amendment, which was afterwards deleted by the House. When the bill went to committee it went through far too rapidly. Its amended provisions were not read, and it was therefore most difficult to grasp the details of it. When you, Mr.

Speaker, asked when the bill should be read a third time, the hon. member for Acadia (Mr. Gardiner) made the following statement:

Mr. Speaker, there have been many important amendments proposed to this bill, so important that we would like to have a look at them in the printed form, therefore I suggest that the third reading stand till the next sitting of the House.

The hon. member for St. Lawrence-St. George (Mr. Cahan) moved this morning that we should take up private bills at three o'clock this afternoon. Now, to show the importance of the suggestion of the hon. member for Acadia last night that we should have time to read over these various important amendments, I want to make a few comments on the bill. I am very sorry that the second part of my amendment to clause 2 was rejected last night, for with the rejection of the amendment restricting dividends the prohibition of stock bonuses is senseless. All that it will mean will be that instead of declaring a bonus of stock, there will be declared a special dividend to be repaid immediately as a payment by shareholders on their stock. The so-called concession by the company in respect of stock bonus is therefore a joke. It is probable that the company's refusal to accept the amendment limiting dividends to 15 per cent is due to the fact that since the beginning of 1927 the company's dividend rate has been increased from 15 per cent to 25 per cent. This makes the actual rate of dividend on the payments made by shareholders on their capital 123 per cent per annum, or on the total payment by shareholders on capital and premium account, 89 per cent.

It is also to be observed that the amendment respecting stock bonuses made in this section contradicts the provisions of section 9 of the bill. I will refer to section 9 in a few minutes. So rapidly did we go through the bill last night that I was glad on going through it again this morning to notice that we overlooked something in section 3 which should have been called to the attention of the House. This section is one of the most pernicious sections of the bill. Its apparent effect is to put life insurance stock on the same basis as mining stock. The real object of the section is to enable dividends to be quoted as so much per share rather than so much per cent and thus to conceal the real rate of dividend paid.

If the amendment respecting dividends had been made in section 2, section 3 would not have been, from this standpoint, so objectionable, but with section 2 left as it is, section 3 should come out.

Now I should like to say a few words regarding section 9. This section contradicts the amendment adopted respecting stock bonuses in section 2. Section 9 declares that so long as any stock of the company is not fully paid, dividends may be applied in reduction of the unpaid amount thereof. This means that dividends may be applied as stock bonus although the amendment adopted in section 2 declares that there shall be no stock bonus. The two sections can be made to harmonize by inserting after the word "company" in the first line of section 9 the words "heretofore issued." This will mean that so far as the stock already issued is concerned, dividends may be applied as stock bonus, but so far as any stock issued in excess of $2,000,000 is concerned, dividends must be paid in cash.

Those are the only criticisms that I have to make with regard to this bill. As I cannot move two amendments, Mr. Speaker, I am going to take this opportunity of moving one which I hope will improve this bill, making it a good deal safer and more in the interests of the policy holders. I therefore beg to move, seconded by Mr. Gardiner, that section 2 be amended by adding the following words:

After the issue of any capital in excess of two million dollars no dividends to shareholders shall be declared by the company in excess of fifteen per cent per annum.

Mr. CAHAN: I object to that motion, Mr. Speaker, on a point of order. My point of order is that there cannot be a distinct motion to amend a bill when a motion for its third reading is before the House. It must be a motion to refer the bill back to committee.

Mr. SPEAKER: I was just about to say that no amendment of this nature can be moved unless it is preceded by the words, "That the present bill be referred back to the committee of the whole."

Mr. SPENCER: That was my intention, Mr. Speaker, and I should like to have those words added to my amendment.

Mr. SPEAKER: I think the amendment is in order with that addition.

The House divided on the amendment which was agreed to on the following division.

YEAS

Messrs:

Allan,	Blanchard,
Auger,	Bothwell,
Bancroft,	Bouchard,
Benoit,	Boucher,
Bettez.	Bourgeois,

Campbell,
Cannon,
Cardin,
Carmichael,
Chevrier,
Coote,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Desaulniers,
Descoteaux,
Deslauriers,
Donnelly,
Dunning,
Edwards (Ottawa),
Elliott,
Euler,
Evans,
Fansher (Last Mountain),
Fansher (Lambton East),
Fiset (Sir Eugène),
Forke,
Gardiner,
Garland (Bow River),
Gervais,
Girouard,
Glen,
Goulet,
Heaps,
Hepburn,
Howden,
Ilsley,
Irvine,
Jelliff,
Jenkins,
Johnston (Long Lake),
Kellner,
Kennedy,
King (Kootenay East),
Lacombe,
Laflamme,
Langlois,
Lapierre,
Lavigueur,
Letellier,
Lovie,
Lucas,
MacLean (Prince),
McLean (Melfort),
Macphail, Miss,
McKenzie,
McPhee,
Malcolm,
Mercier (St. Henri),
Millar,
Milne,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Morrissy,
Motherwell,
Neill,
Perras,
Power,
Ralston,
Rhéaume,
Rinfret,
Robb,
Ross (Moose Jaw),
Sanderson,
Séguin,
Sinclair (Queens),
Spencer,
Steedsman,
Taylor,
Totzke,
Vallance,
Veniot,
Verville,
Ward,
Woodsworth,
Young (Saskatoon).—91.

NAYS

Messrs:

Anderson (Toronto-High Park),
Barber,
Bell (Hamilton West),
Bell (St. Antoine),
Bell (St. John-Albert),
Black (Halifax),
Bowen,
Brady,
Cahan,
Casselman,
Chaplin,
Charters
Cowan,
Dickie,
Duff,
Edwards (Frontenac-Addington),
Edwards (Waterloo South),
Embury,
Esling,
Fraser,
Garland (Carleton),
Gott,
Grimmer,
Guérin,
Guthrie,
Hanson,
Harris,
Hodgins,
Howard,
Jacobs,
Jones,
Kaiser,
Kay,
Ladner,
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
MacLaren,
MacNutt,
McGibbon,
McGregor,
McRae,
Maloney,
Matthews,
Maybee,
Peck,
Pettit,
Preston,
Price,
Quinn,
Rennie,
Robinson,
Ross (Kingston City),
Ryckman,
Ryerson,
Simpson,
Smoke,
Spence (Parkdale),
Stevens,
Stewart (Leeds),
Stinson,
Stirling,
Thompson,
Tolmie,
Tummon,
White (London),
Young (Toronto Northeast),
Young (Weyburn).—67.

The House went into committee, Mr. Johnston in the chair.

Mr. CAHAN: I desire to say that an amendment in the exact terms of the present amendment was voted down last night by a large majority.

Mr. SPENCER: No vote was taken.

Mr. CAHAN: There was a standing vote and that vote was against this amendment. I am not interested in the Sun Life Assurance Company in any way, shape or form, political or otherwise. I have a policy of $2,500, which I took in my early life, which is now paid-up. The Sun Life Company has proved to be one of the best administered financial companies in this country. I may say one of the best in the world. A year ago sixty-three per cent of its business was done outside of Canada. Probably, as the business is progressing, this year seventy-five per cent will be done outside of Canada. This company is increasing its business in the United States, where its reputation is of the highest, and it has been increasing its business, particularly in Great Britain, where its reputation is of the best. The main reason that this bill is brought before the House is that the charter of the company granted sixty-five years ago by the parliament of old Canada fixed its authorized capital at $4,000,000. Subsequent acts of the parliament of Canada in early times reaffirmed its authorized capital at $4,000,000. In the seventies it was provided that $2,000,000 of its capital might be applied to accident insurance and other branches of a like kind. In a year or two the general policy in this country with regard to life insurance companies developed, in the direction of maintaining life insurance companies, in fact, as life insurance companies, and the company came to parliament and asked leave to discard its accident branch, and wound it up. Since that time, from time to time in the returns which this company has made, its authorized capital has been $4,000,000. The Insurance branch of the Finance department, until something like a year ago, returned its authorized capital as $4,000,000. But a short time ago, in re-insuring and in taking from English line companies—because these English companies distribute their insurance both to American and Canadian companies—the question arose in England as to

what the capital of this company was and how much was paid up. I am instructed that it arose in this way: In order that there may be a transfer from the English line companies to foreign companies—and this is a foreign company, so far as England is concerned—it is necessary that the re-insurance and distribution of life policies by English life line companies to other companies be made only by the approval of the court, and so the matter came before the judge of the court in England. There was an inquiry to ascertain what was the capital of the company, and the company informed the judge that they had always believed and still believe that their authorized capital is $4,000,000, upon which a certain portion had been paid up. The judge took the view that the paid-up capital of the company is one of the strongest guarantees, in the long continuation of risks, for the policyholders of the company, and he intimated that he would decline to approve of re-insurance by an English line company having 1,000,000 pounds sterling of capital paid-up in a Canadian company, whose authorized capital was in some doubt and of which only a million and a half dollars had been paid-up; and so the negotiation fell through, and it was simply to place this Canadian company in a position to carry on the great financial operations which it has been carrying on in England that it asked to have its authorized capital declared, as stated in the original act, to be $4,000,000. This bill was debated in standing committee for two days. It has been debated in this House on the three days open to private bills. On every occasion in that committee and in this House up to the present it has received the support of the majority. Last night this very amendment, as now proposed, was defeated by a majority of the House. The adverse suggestion, as I have understood it, is that this company might issue a stock bonus. I wish to say—and it cannot be contradicted—that on the subscribed capital of this company the average cash dividend annually paid from the time that it was incorporated in 1865 down to the present time has been 3.5 per cent,—three and five-tenths per cent. The company had the right up to 1910 to share whatever it pleased with the participating policy holders, but was restricted, as, other companies were, in 1910, to receive only ten per cent of profits arising from its participating policy business. This company comes before this House and offers to reduce that ten to three per cent. I say that this company is entitled to fair consideration, and further that a company which, of its own accord, has reduced its share of participating policy profits from ten per cent to three per cent cannot be properly accused of attempting any sort of jobbing transactions by the favour of this House. I repudiate that. There is nothing in it. This company is proceeding in a fair, open, straightforward way to do its business, to add to the reputation of the company no doubt, but to add to the reputation of this country as well.

Now, I ask for reconsideration of this amendment, because if it passes the company must withdraw the bill. It will be absolutely impossible for it to proceed under the circumstances, and it will have to take the best means available outside parliament for protecting its business in such way as its financial advisers may see fit to suggest. The company can, as everyone knows who is accustomed to life insurance, cease from this day forth its participating policy branch and confine itself to ordinary insurance; it can take several alternatives—it can reinsure in an English company for a large part of its business, or it can organize an English company and carry on the English business under an organization known as the Sun Life Company of Great Britain; in short, it can take a dozen expedients. But it came before this House and for two days it explained frankly to the committee on banking and commerce the purpose of the bill, and received the assent and approval of the majority of that committee. The bill came before this House again, and on three occasions there was an attempt to talk it out. I make no complaint of that. I merely say that in respect of private bills there must be self-restraint on the part of members or it may be impossible in the future to secure private legislation. Last night I might have stopped all the private bills following this bill, but I did not; I allowed them to go through for third reading, although under the rules, I had strong grounds for opposing them. I deemed it right and just that the parties interested in those bills should have an opportunity to be heard. I have had an opportunity to be heard to-day under a special resolution. I do not understand the cause of this House reversing its judgment, and all I can say is that if this amendment is made to restrict the dividends of this company for all time in the future to 15 per cent, it is not right, it is not just, because during sixty-five years, in order to give to the policyholders a greater guarantee, the management have left in the company $30,000,000 of individual shareholders profits, and intend to leave them there until the Sun Life Company is the

foremost in strength throughout the British Empire—as it might well have been in the near future if it had received the support and confidence of this House.

Mr. WARD: I have been given to understand that since this bill was introduced the company has held a meeting of its stockholders—quite a hurried one—and declared the dividends would be 25, not 15 per cent. Is that so?

Mr. CAHAN: I cannot say as to that, Mr. Chairman, but I doubt it very much. I never heard of such a thing. The company did have a meeting of which they notified, as required by law, every policyholder and every stockholder, and not a single policyholder or stockholder raised any objection to this bill.

Mr. HEPBURN: When this bill was before the banking and commerce committee and the superintendent of insurance registered such strong objection to it, did he not repeatedly say that the main purpose of the measure was to conceal the actual profits that the stockholders were going to pay to themselves; and is not the very fact that the company now refuses to accept the restriction of 15 per cent confirmation of his statement?

Mr. CAHAN: All I can say, Mr. Chairman, is that under the proper practice of this House and of its committees in times past—and I have attended before them on many occasions—departmental officials appeared before committees and gave their evidence. That rule seems to be abandoned now, and instead of members of the committee and of the House reaching a decision on the facts presented to them, we have some permanent officials not only attempting to usurp the functions of this legislative body but of its standing committees. In contradiction of what was alleged by Mr. Finlayson, I say on my judgment as a lawyer and my honour as a gentleman that there is no intention on the part of this company to make a stock-jobbing venture of its proposed issue of additional capital.

Mr. WOODSWORTH: Mr. Chairman, I protest against any reflection in this connection on an official of the department. Further, I protest against the statement by the hon. member for St. Lawrence-St. George that there was an attempt to talk out this bill. He has done more himself to-day to talk the bill out than any other member has ever attempted. This is the first time I have spoken on the bill, and I would not do so had not the hon. member sought special privileges before this House. The advice has been tendered to some of us that we should "learn to contain ourselves," I think if anyone needs to follow that advice it is the hon. member himself.

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: I am not speaking on the merits of the bill at this moment, but I protest against a member, simply because he has been disappointed in carrying his bill, reflecting on the House and on an official of the Finance department.

Mr. CAHAN: I utterly repudiate the suggestion that I cast any reflection upon the members of this House or the committee. So far as the bill goes, I am not disappointed; I accept the judgment of the House.

Mr. ROBB: Mr. Chairman, I do not rise to offer any defence of the superintendent of insurance. That gentleman requires no defence from any person. In the insurance field of Canada he is recognized as a fearless official who is afraid neither of the wealthy company nor of the company on the verge of bankruptcy. With all that my hon. friend the member for St. Lawrence-St. George, the promoter of the bill,—

Mr. CAHAN: I beg my hon. friend's pardon, I am not the promoter of this bill.

Mr. ROBB: Then I withdraw that. With all that he has said regarding the Sun Life Company being one of the best insurance companies in Canada, yes, one of the best in the British Empire, and of its excellent management, I quite agree. As a Canadian I have been proud of the Sun Life Assurance Company as I have travelled about from place to place and find it doing business that is a credit to Canada. But the fact that the Sun Life Assurance Company has been so well managed that it is very profitable to its stockholders is no reason why this department or the department of insurance should neglect the protection of its policyholders.

Now, it seems to me that my hon. friend, although he has displayed much heat, has not challenged the amendment presented by the hon. member as to the value of the 15 per cent. And 15 per cent on $4,000,000, where the actual cash put into the whole business from the start is only $305,000, is not a very bad return. It is true, as my hon. friend has said, that the company proposes to issue the shares for the additional capital for cash payments. But had my hon. friend listened to the advice of the superintendent of insurance, that there should be a guarantee that the actual cash be put into the business, there would have been no opposition from this

side of the House. I want to assure the House that I am not one of those who is afraid of big business. I am proud that the big institutions of Canada can go throughout the world and say they are strong; but I have a duty as Minister of Finance of this country, and the superintendent of insurance has a duty, to see to it that all these companies are kept on a parity. If legislation is required for this or any other company it should be brought in in the form of a general bill. I propose during the year to have the superintendent of insurance confer with the different life insurance companies of Canada and if necessary, at the next session of parliament, propose such amendments to the insurance laws of the country as will meet the new conditions that have arisen since the last amendment was adopted. We shall be glad to do this, always bearing in mind that the insurance companies have no greater rights to profits from their investments than has any other business. We will take care of the policyholders, for after all it is their money that provides the capital. I want to say that the policyholders' investments in the Sun Life Company have been well managed, and I am proud of the company. At the same time, I believe that 15 per cent is not an ungenerous interest on the investment.

Mr. LADNER: The minister intimated that the policyholders would be adversely affected by this bill. Will he say in what respect?

Mr. ROBB: I did not say anything of the kind.

Mr. IRVINE: The law governing insurance companies is general in its application and the policy of the department has been to unify the legislation to provide for better control of all companies. This legislation provides for special treatment for the Sun Life Assurance Company, which it is not intended to make general, and the departure in this regard is to be deplored. The hon. member who sponsors the bill emphasized before the committee that the company has made slightly over 3 per cent on its subscribed capital in the early years. If it made 3 per cent on $2,000,000 what would be the percentage on $305,000 which was the entire capital they had actually paid in? They must have made 21 per cent on their actual investments during those lean years. I do not wish to talk the bill out, and I shall therefore refrain from saying anything further.

Amendment agreed to.

Section as amended agreed to.

The CHAIRMAN: Shall I report the bill?

Some hon. MEMBERS: Carried.

The CHAIRMAN: Carried.

Mr. WOODSWORTH: Is it in order at this stage to bring in an amendment to section 9?

The CHAIRMAN: Such a motion would be out of order. The House instructed that the bill be referred back to the committee and it has been reported.

Bill reported.

Mr. CAHAN: As there is another bill which I desire to have read the third time, and in order to avoid further discussion of this matter, I would ask that this bill be withdrawn.

Mr. SPEAKER: The hon. member may make his motion when I put the question. When shall the bill be read the third time?

Mr. CAHAN: In view of the fact that useless discussion in connection with this bill is consuming the time which might be devoted to other private bills, I respectfully ask the leave of the House to withdraw the bill.

Mr. SPEAKER: The bill is now in possession of the House and may be withdrawn only by consent. Is it the pleasure of the House that the hon. member have leave to withdraw the bill?

Mr. SPEAKER: The bill is withdrawn.

Bill withdrawn.

THE JOHN E. RUSSELL COMPANY, LIMITED

Mr. E. R. E. CHEVRIER (Ottawa) moved the third reading of Bill No. 117, respecting a patent owned by the John E. Russell Company, Limited.

Mr. J. A. GLEN (Marquette): Yesterday when this bill was before the House I endeavoured to indicate what I considered to be the real purposes of it, and I believed when speaking then that I was echoing the absolute truth as represented to the private bills committee. No hon. member of the House has contradicted any statement that I made on that occasion, but inasmuch as many members were not present when I spoke I venture now to state again very shortly the reasons I set forth. I pointed out that the patent laws of the Dominion were intended to protect the inventor and that if for any reason the inventor should sell his rights to some one else then that protection ceased. The protection

cannot extend to the assignees for the reason that the patent is granted only to encourage the genius of the inventor and not to provide a basis for speculation on the part of any company. In this case the inventor is a man in the United States. He sold the patent to a company carrying on business in Canada and it is now the assignee who is asking for the renewal of the patent.

Mr. SPEAKER: Order. I am in the judgment of the House, but I understood this morning that private bills would this afternoon be considered for one hour. The hour has expired.

Some hon. MEMBERS: One hour.

Mr. DAVID SPENCE (Parkdale): I appeal to the good sense both of yourself, Mr Speaker, and of the leader of the government (Mr. Mackenzie King) to allow the House to consider for a short time longer the bill now under consideration. I have not asked for any privileges this year but I should like to have the motion disposed of. I shall not speak to it.

Some hon. MEMBERS: Carried.

Mr. SPEAKER: I am entirely in the judgment of the House. If the matter were left to me I should say yea, but it is not for me to decide.

Hon. HUGH GUTHRIE (Leader of the Opposition): I read the motion which was made this morning with respect to the consideration of private bills this afternoon and I must say that I saw nothing in it in any way limiting the time.

Mr. ROBB: My hon. friend the leader of the opposition is quite right; there was nothing to that effect in the motion, but there was an understanding by which it was agreed that it would be one hour. I have no objection to giving my hon. friend fifteen minutes more.

Mr. GUTHRIE: The agreement was made with my hon. friend from St. Lawrence-St. George (Mr. Cahan).

Mr. SPEAKER: Am I to understand that we are to proceed for fifteen minutes?

Mr. GUTHRIE: I can only remark that the language of the motion passed this morning contains no limitation. My hon. friend did ask the hon. member for St. Lawrence-St. George whether an hour would be sufficient, and he said yes, but there are other members of this House who were not committed in any way. It was an open motion that we should proceed to private bills at three o'clock.

Mr. SPEAKER: I would like to know whether we are to go on for fifteen minutes or an hour or for the whole afternoon.

Mr. ROBB: I am willing to make it half an hour.

Mr. GUTHRIE: I have no desire in the matter one way or the other; I am only pointing out what the motion contained.

Mr. ROBB: Fifteen minutes?

Mr. GUTHRIE: I am not suggesting any term; I have no right to do so and I do not propose to try. I am calling attention to the fact that this House passed a definite motion to go on with private bills at three o'clock; the motion is in writing, and there is no limitation.

Mr. ROBB: I would move that private bills be continued until 4.20 p.m.

Mr. WOODSWORTH: The order was altered this morning on the express understanding, which was clearly understood by the House, that the time would be limited to one hour. I objected this morning to anything which would interfere with the regular routine for the purpose of permitting a private bill to be proceeded with, and I would now have to maintain that position, which I think is correct.

Mr. CHEVRIER: Time is up.

Mr. GUTHRIE: Would the clerk read the motion which was passed this morning, in order that there may be no mistake?

Mr. SPEAKER: There is no question about the motion; there was no fixed limit, but I heard the conversation between both sides of the House and I gathered that the motion was intended to cover a period of an hour, although that is not stated.

Mr. YOUNG (Saskatoon): As a private member of this House, may I say that when we voted this morning there was a distinct understanding that the period would be one hour.

Mr. CAHAN: I can only say that the Minister of Finance or the Prime Minister, I have forgotten which, did ask me, and I said I certainly would not take more than an hour. It was in my mind that I would adjourn the discussion or withdraw the bill rather than exceed that time limit.

Mr. CANNON: The House must bear in mind that when that motion was proposed and adopted this morning it was with the desire to give all private bills a chance to be disposed of. and no one had any idea that this particular bill would take so long. I think

that within ten or fifteen minutes we could dispose of the remaining private bills, providing we do not discuss the details too much.

Mr. GUTHRIE: Let us have a vote, and that will end it.

Mr. WOODSWORTH: I was interrupted a moment ago by an hon. member who claimed that the time was up, and that I should not speak. I wish to finish what I started to say, that there was a distinct understanding when we voted this morning. If these understandings between the various sections of the House are not lived up to it means that we must insist in the future upon every detail being put into every motion. When we voted in favour of the motion it was on a definite understanding, and I urge that this be not altered now.

Mr. SPEAKER: I must be guided by the principles which are followed in courts of law; written evidence is always taken in preference to verbal evidence. We have a motion which contains no limit, and since there is a disagreement in the House I must take the motion as it stands.

Mr. ROBB: I have just presented a motion, in which I am seconded by Mr. Dunning, that we extend the time until 4.20. We have now wasted five minutes, and I will amend the motion to make it 4.25.

Mr. SPEAKER: Is it the pleasure of the House that the time for private bills be extended to 4.25?

Mr. COOTE: Might I be allowed one moment to point out that for the last ten days the House has been working under high pressure, with the view of having prorogation before Easter. For the last two nights we have sat until half past two in the morning and it does seem strange to me that the government should block the accomplishment of that purpose by deliberately giving way in the matter of government business to allow the passage of private bills.

Mr. SPEAKER: I take it that the judgment of the House is that the time be extended to 4.25?

Mr. GLEN: I have not heard from any of those asking for the extension a denial of the understanding which was made before the vote was taken. Will the leader of the opposition or any other member say that there was no understanding that private bills would be taken up for one hour this afternoon?

An hon. MEMBER: That is settled.

Some hon. MEMBERS: Question.

Mr. GLEN: I do not propose to talk this bill out, but I wish to remind the House of the merits and demerits of the bill as I see them, in order that this House may voice an opinion upon the principle involved.

Mr. McGIBBON: I rise to a point of order, the hon. gentleman has already spoken.

Mr. SPEAKER: I do not see a point of order; the hon. member was getting some explanations with regard to the time limit. I think he should continue, having regard to the parliamentary amenities and with the desire of concluding this session at the earliest possible moment.

Mr. GLEN: I suppose I may now go on, although I do not know what was said. I wish to enumerate some of the demerits of this bill, because some hon. members do not know why we are objecting to it. We are not taking exception to the renewal of this patent in any captious mood, but we do take exception on the ground that there is a general principle involved which we say this House should not establish. That principle is that here we have a bill in which the inventor of the patent is not asking for a renewal.

Mr. SPENCE (Parkdale): Because he is dead.

Mr. GLEN: It doesn't matter whether or not he is dead; the inventor—

Some hon. MEMBERS: Question.

Mr. SPEAKER: Order.

Mr. GLEN: The indications coming from the other side of the House are those which will be given when this bill comes to a vote and is defeated.

An hon. MEMBER: Let it come to a vote.

Mr. GLEN: I just wish two or three minutes more, if those hon. gentlemen will give me that time. Here is a bill which is giving effect to something which this House cannot allow on any account; under the bill we are asked to grant an extension of eight years after a period of eighteen years to the assignee of this patent. Not only that, but the company which is now asking for the renewal of the patent will be enabled to collect royalties under it. In these circumstances I desire to move the following amendment:

That Bill No. 117 be not now read a third time but that it be read this day six months.

Hon. JAMES MALCOLM (Minister of Trade and Commerce): Mr. Speaker,—

Mr. SPEAKER: The question is put.

Mr. CANNON: The minister has a statement to make.

Mr. SPEAKER: Order.

Mr. CANNON: This morning Your Honour allowed other speakers to express their views. I think the minister has a statement to make.

Mr. SPEAKER: I must say I did not see the hon. Minister of Trade and Commerce.

Mr. MALCOLM: I rose three times, Mr. Speaker.

Mr. SPEAKER: My eyes were not directed towards the minister. However, under the circumstances it will be quite in order for him to proceed.

Mr. MALCOLM: As minister of the department administering the Copyright Act and the Trademark and Design Act I have given some consideration to this bill, and to the principle involved in it. We have been loth in British countries to renew a patent unless it could be shown that through some circumstance the patentee did not have an opportunity during the life of his patent to profit thereby, and further that no hardship was being done by the renewal of the patent. As minister of the department I cannot find in this case but that a hardship would be inflicted by the renewal of this patent. There are three principal firms in Canada desiring to manufacture this product, which is a lock-joint cement pipe used largely by municipalities. The three principal firms in Canada now wanting to manufacture this product are the Standard Clay Products Company, Montreal, the Nelson River Construction Company of Winnipeg, and the Consolidated Pipe Company of Montreal. These firms attest the fact that the holder of this patent is asking an exorbitant price for his patent. In reviewing what took place before the committee I cannot find that any evidence was submitted to justify the renewal of this patent on any principle that has heretofore been considered by the department, and I intend to vote against the measure.

Amendment agreed to.

Mr. SPENCE (Parkdale): Should we not have a vote?

Mr. SPEAKER: The amendment is carried. The time allotted for private bills having elapsed, Bill No. 255 cannot now be considered and the House will now revert to the order of motions. The debate had not concluded on the motion of the hon. member for Wetaskiwin (Mr. Irvine) that the House concur in the eleventh report of the select standing committee on railways, canals and telegraph lines, and the amendment thereto of the hon. member for Peace River (Mr. Kennedy).

PEACE RIVER RAILWAY OUTLET

OBJECTION TO MOTION TO CONCUR IN THE REPORT OF RAILWAY COMMITTEE

Mr. WILLIAM IRVINE (Wetaskiwin): When the House rose at one o'clock I had almost completed my remarks on the question under discussion. I was at that moment referring to the suggestion made by the hon. member for Acadia (Mr. Gardiner) which the Minister of Railways virtually accepted, and I was trying to show that there was very slight difference between that suggestion and the amendment. I would urge the minister to accept the amendment. The fact is that the last clause of the amendment to which the minister takes special objection merely means this: That branch lines are required in the Peace river district; that these branch lines when they are built should be directed so as to fit in with the outlet; that if the proper course is now taken, that of surveying and deciding the outlet, then the subsequent construction of these lines, in keeping with this plan, would really mean the "commencement" indicated in the amendment. That is all that is implied in the last clause, so I suggest that the minister accept it.

The House divided on the amendment (Mr. Kennedy) which was negatived on the following division:

YEAS

Messrs:

Adshead,
Anderson (Toronto-High Park),
Barber,
Bell (Hamilton West),
Bell (St. John-Albert),
Black (Halifax),
Bowen,
Brady,
Campbell,
Carmichael,
Casselman,
Chaplin,
Charters,
Coote,
Cowan,
Dickie,
Edwards (Frontenac-Addington),
Edwards (Waterloo South),
Embury,
Ernst,
Esling,
Evans,
Fansher (Last Mountain),
Fraser,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Geary,
Gott,
Grimmer,
Guthrie,

Hanson,
Harris,
Hodgins,
Irvine,
Jelliff,
Jones,
Kaiser,
Kennedy,
Ladner,
Lennox,
Lucas,
Luchkovich,
Macdonald (Kings),
Macdonald (Richmond-West Cape Breton),
Macdougall,
MacNutt,
Macphail (Miss),
McGibbon,
McGregor,
McRae,
Maloney,
Matthews,
Maybee,
Peck,
Pettit,
Preston,
Price,
Quinn,
Rennie,
Robinson,
Ross (Kingston City),
Ryckman,
Ryerson,
Short,
Sinclair (Wellington North),
Smoke,
Spencer,
Stevens,
Stewart (Leeds),
Stinson,
Stirling,
Thompson,
Tolmie,
Tummon,
Woodsworth,
Young (Toronto Northeast).—77.

NAYS

Messrs:

Allan,
Auger,
Bancroft,
Benoit,
Bettez,
Blanchard,
Blatchford,
Boivin,
Bothwell,
Bouchard,
Boucher,
Boulanger,
Bourgeois,
Bowman,
Bradette,
Brown,
Cannon,
Cardin,
Casgrain,
Cayley,
Chevrier,
Delisle,
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Donnelly,
Dunning,
Edwards (Ottawa),
Elliott,
Fansher (Lambton East),
Fontaine,
Forke,
Gervais,
Glen,
Goodison,
Goulet,
Guérin,
Hall,
Heenan,
Hepburn,
Howard,
Howden,
Ilsley,
Jenkins,
Johnston (Long Lake),
King (Kootenay East),
King, Mackenzie (Prince Albert),
Lacombe,
Laflamme,
Lanctôt,
Langlois,
Lapierre,
Lavigueur,
Letellier,
Lovie,
Macdonald (Glengarry),
MacLean (Prince),
McIntosh,
McKenzie,
McMillan,
McPhee,
Malcolm,
Mercier (Laurier-Outremont),
Mercier (St. Henri),
Millar,
Milne,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Motherwell,
Neill,
Odette,
Perras,
Pouliot,
Power,
Ralston,
Rinfret,
Robb,
Roberge,
Ross (Moose Jaw),
Rutherford,
St-Père,
Séguin,
Sinclair (Queens),
Smith (Stormont),
Spence (Maple Creek),
Steedsman,
Stewart (Edmonton West),
Taylor,
Telford,
Thorson,
Totzke,
Vallance,
Veniot,
Verville,
Young (Saskatoon),
Young (Weyburn).—97.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:	
Wilson (Wentworth),	Kay,
Clark,	Cahill,
Hocken,	Denis (Joliette),
Bell (St. Antoine),	Raymond,
Black (Yukon),	Prévost,
Cantley,	McLean (Melfort),
Spence (Parkdale),	Sylvestre,
MacLaren,	Fiset,
Cotnam,	Dussault,
Bennett,	Lapointe,
Manion,	Euler,
Rowe,	Lacroix,
Hubbs,	Hay,
White (London),	Gershaw,
McQuarrie,	Fafard,
Church,	Dubuc,
Simpson,	Morrissy,
Thompson,	Robitaille,
Anderson (Halton),	Girouard,
White (Mount Royal),	Wilson (Vaudreuil),
Gott,	Rhéaume,
Perley (Sir George),	Marcil.

Sir EUGENE FISET: I was paired with the hon. member for St. John-Albert (Mr. MacLaren). Had I voted I would have voted against the amendment.

Mr. SANDERSON: I was paired with the hon. member for Haldimand (Mr. Senn). Had I voted I would have voted against the amendment.

Mr. McLEAN (Melfort): I was paired with the hon. member for Pictou (Mr. Cantley). Had I voted I would have voted against the amendment.

Mr. BENNETT: I was paired with the hon. Minister of Justice (Mr. Lapointe). Had I voted I would have voted for the amendment.

Mr. ROWE: I was paired with the hon. member for Beauce (Mr. Lacroix). Had I voted I would have voted for the amendment.

Mr. CAHAN: I was paired with the hon. member for Cartier (Mr. Jacobs). Had I voted I would have voted for the amendment.

Mr. BELL (St. Antoine): I was paired with the hon. member for Beauharnois (Mr. Raymond). Had I voted I would have voted for the amendment.

Mr. JOHNSTONE: I was paired with the hon. member for Stanstead (Mr. Baldwin). Had I voted I would have voted for the amendment.

Mr. TOBIN: I was paired with the hon. member for West York (Sir Henry Drayton). Had I voted I would have voted against the amendment.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PENSION ACT ADMINISTRATION

Mr. YOUNG (Toronto Northeast):

1. Is the Pension Act administered by the Board of Pension Commissioners or by the Department of Soldiers' Civil Re-establishment?

2. If the provisions of the act are given effect in part by the Board of Pension Commissioners and in part by the Department of Soldiers' Civil Re-establishment, what part is within the respective jurisdiction of the department and the board, and what parts if any, are under the board and the said department jointly?

3. How is the degree of pensionable disability ascertained, and in such ascertainment what part is the responsibility of the board and what part, if any, is the responsibility of the Department of Soldiers' Civil Re-establishment?

4. By whose authority are pension examination or re-examination carried out?

5. Has the Department of Soldiers' Civil Re-establishment any control over the Board of Pension Commissioners as to administration or otherwise?

6. Is the Board of Pension Commissioners entirely independent of Soldiers' Civil Re-establishment?

Hon. Mr. KING (Kootenay):

1. The relations between the Board of Pension Commissioners and the Department of Soldiers' Civil Re-establishment are defined by P.C. 2722 of the 17th August, 1921, which provides that:—

"...the Board of Pension Commissioners shall, through the department, lay down the policy to be followed in the administration of the provisions of the Pension Act."

2. The board is a court of judicature rather than an administrative body. It determines questions of eligibility, of degree of disablement, and is the sole authority competent to award or refuse pension. The department pays the pensions awarded by the board, arranges for the routine medical examinations of pensioners and prospective pensioners and is generally responsible for the administrative work involved in giving effect to the decisions of the board and in collecting and collating evidence relating to pensionability. No parts of the act are administered jointly by the board and the department.

3. The degree of pensionable disability is ascertained by the medical examiners and specialists employed by the department, who have been specially trained in assessment work by the medical advisers of the board. They examine individual pensioners and make recommendations as to the degree of disablement. The medical advisers of the board review such recommendations and place them before the board, which approves, rejects or amends them as to it appears proper. The department is responsible for the accuracy and completeness of the medical reports and examinations presented to the board and in respect of investigation reports made by departmental officials for the information of the board.

4. The treatment branch of the department recommends the review dates for medical examinations and the board approves or amends such recommendations. In certain circumstances, the board calls for special medical examinations at other than the regular review dates.

5. Answered by No. 1.

6. Yes.

CANADIAN BEEF CATTLE

Mr. ALLAN:

1. Is the government aware that the beef cattle industry is in bad shape in Canada?

2. Does the government anticipate any improvement in the near future?

3. Why has the export of beef cattle to Great Britain fallen off in the past 15 months?

4. Is the government doing anything to overcome this very unsatisfactory situation?

5. How many cattle were exported to the United States in 1926?

6. How many cattle were exported to Great Britain in 1926?

7. Is the government aware that the trans-Atlantic freight rate on cattle has been reduced to $15? If so, will this rate be in effect this summer from Montreal and Quebec?

Mr. MOTHERWELL:

1. The average price of the rank and file of cattle marketed during 1926 was higher than in any of the previous four years, and the market has since 1922, shown a very definite upward tendency. The total value of live stock publicly marketed in 1926 exceeded $47,500,000, as compared with approximately

$43,000,000, in 1925, $37,000,000 in 1924, $36,000,000 in 1923, and $37,000,000 in 1922. The year 1925 was considered by the rank and file of producers to be the best year experienced in any of the past twenty-five years. At most markets in Canada, the average prices received for the various classes of cattle, marketed in 1926 were in excess of those marketed in 1925.

2. During the present year, the market for good classes of cattle, as well as the ordinary sorts of stock, is either strongly on the upturn, or steady.

3. The price spread as between the British market and the Canadian domestic market has been too narrow to allow of extensive export. The cause for this narrowness has been the poor condition of the British market, due to a depressed industrial situation, as compared with the relatively strong price situation existing in Canada under a keen domestic inquiry, and steadily improving industrial conditions.

4. The government has no control over the state of the British cattle and meat trade conditions.

5. The number of cattle exported from Canada to the United States in 1926 was 92,962 head.

6. The number of cattle exported from Canada to Great Britain in 1926, was 79,985 head.

7. Yes. When this freight reduction was announced, it was understood that it applied to exports from winter ports. We have not been advised as to whether this rate will be extended to include the summer months.

HONEY PRODUCTION

Mr. HEPBURN:

1. What is the annual production of honey in Canada?
2. Is honey produced to any extent outside of Ontario and Quebec ?
3. Has any honey been exported from Canada in recent years?
4. If so, to what country or countries?
5. How does Canadian honey compare with honey from other countries, (a) in colour; (b) in flavour; (c) in body or density?
6. Is honey graded by the federal Department of Agriculture, (a) for export; (b) for domestic use?
7. What is the federal Department of Agriculture doing to help develop the production of honey in Canada?

Mr. MOTHERWELL:

1. In 1925 the production was 21,000,000 pounds; in 1926 it was slightly less.

2. Yes, in the year 1925 Ontario produced about 10,000,000 pounds, Quebec between 3,000,000 and 4,000,000 pounds, Manitoba slightly over 4,000,000 pounds, Alberta and Saskatchewan several hundred thousand pounds and the maritimes a small quantity. The production in Alberta's irrigated areas is increasing enormously.

3. There has been considerable export since the year 1925 which now amounts to between 2,000,000 and 3,000,000 pounds per annum from the province of Ontario alone, this being exported largely by the Coöperative Honey Producers' Association. Quebec also has established a small export in clover honey.

4. Exports are mostly to Great Britain but there is also some to Germany, Holland, Denmark and other continental countries.

5. Canada's honey in colour, flavour and body is unsurpassed by other countries exporting to Great Britain. This naturally applies to superior grades. As evidence of this, Canadian honey has taken premier honours in the London show for several years.

6. (a) No official grading; (b) No grading. In explanation of the above, it is only fair to state that the federal department has been assisting the Ontario exporters who had large stocks for export, to the extent of inspecting their honey before it was exported and basing the inspection on sound honey of good quality and according to the grades adopted by that association.

7. The federal department of Agriculture is doing a considerable amount of work toward the development of the honey industry in Canada. Among the present activities are the following:

1. Experimental and demonstration apiaries scattered all over Canada on Dominion experimental farms.

2. Investigating new areas by placing out apiaries from these branch farm apiaries.

3. Improving the raising of bees now kept in Canada through selection of proper strains, breeding of superior queens, and so forth.

4. Investigating more suitable methods for different parts of Canada in the feeding, methods of establishing apiaries, methods of strengthening colonies, methods of wintering, methods of swarm control, the prevention of robbing, and distribution of disease, extermination of disease, etc. In addition thereto experiments and demonstrations are continuously made in the handling of honey and general management problems.

5. Assistance in inspection of honey for export as above mentioned.

6. In addition to the above the compilation of bulletins, annual reports, pamphlets, press articles and a very heavy correspondence shows a great demand for information in regard to honey throughout Canada. The bee division works closely in coöperation with

provincial apiaries toward assisting them in their general educational work, service work, etc.

ALBION R. FOSTER

Hon. Mr. JONES:

1. Has Albion R. Foster of Hartland, New Brunswick, been appointed to a position in the customs service?
2. If so, by what authority was the appointment made, and what is the nature and character of his duties?
3. What is the amount of his remuneration (a) for services, (b) for expenses, and how much has been paid to him to date?
4. Is his employment temporary or permanent?
5. Was the Civil Service Commission consulted as to his employment?
6. Is the said Albion R. Foster the same Albion R. Foster who was the Liberal candidate in Carleton-Victoria in the last federal election?

Hon. Mr. CARDIN (for Mr. Euler):

1. Yes.

2. Appointed by the hon. minister under authority vested in him by subsection five of section two of the Department of Customs and Excise Act (Chap. 26 of the Statutes of Canada, 1921).

Customs excise enforcement officer on the staff of the special preventive service.

3. (a) $1,200 per annum; (b) $170.55 (December 3, 1926—March 31, 1927).

4. Temporary.

5. No.

6. No information.

ST. CAMILLE DE BELLECHASSE POSTMASTER

Mr. CAHAN:

1. Why is the appointment of a postmaster to fill the vacancy at St. Camille de Bellechasse being delayed?
2. In filling this vacancy will a preference be given to a veteran of the late war?

Hon. Mr. RINFRET:

1. Certificate appointing Florent Corriveau was issued by the Civil Service Commission on the 30th March, 1927.

2. The only overseas active service candidate who applied for this position, was not considered qualified.

CIVIL SERVICE—"AMPUTATION CASES"

Mr. WHITE (London):

1. Have instructions been given (as stated in the public press of London), by the Civil Service Commission, that no veterans of the Great War who are known as 'Amputation cases" may try examinations for positions in the postal service in so far as London, Ontario, is concerned?

[Mr. Motherwell.]

2. If so, is this policy to extend throughout Canada?
3. Is the government of the day or any member of the government responsible for this decision?
4. If not responsible, does the government endorse the regulation of the Civil Service Commission?
5. How many employees are in the inside service of the Post Office department at London, Ontario?
6. How many are in the outside service?
7. How many in the inside service are returned solders?
8. How many in the outside service are returned soldiers?
9. How many "Amputation cases" are employed in the London post office?

Hon. Mr. VENIOT:

1, 2, 3 and 4. The employment of amputation cases in city post offices was discussed by representatives of the Post Office department, Civil Service Commission and Great War Veterans Association.

The department's views were expressed as follows:

The department has no objection to the employment of amputation cases in those positions where their physical handicap does not prevent their giving the department satisfactory service.

The department at the present time has so many employees who are not 100 per cent physically fit in the operating branches of the service, including a large number of men of advanced years who have entered under the returned soldiers' preference. that to further load down these staffs with amputation cases would simply mean that the department could not give an efficient service.

It was pointed out at the interview that the department had no objection to the employment of amputation cases in such positions as mechanical operators in the Money Order branch, telephone operators, stenographers and other similar clerical positions.

It was further stated that the department would assist in every way possible in obtaining properly qualified amputation cases for such positions. This attitude was satisfactory to both the Civil Service Commission and the representative of the Great War Veterans' Association and it was agreed that the department would, as far as possible, when suitable vacancies occurred, to which amputation cases could be assigned, to specially draw such cases to the attention of the Civil Service Commission when asking for vacancies to be filled.

5. 117.
6. 202.
7. 44.
8. 82.
9. 3.

EGG IMPORTATIONS AND CONSUMPTION

Mr. LADNER:

1. What is the total (a) production, (b) consumption; (c) importation of hen's eggs by dozen in each of the provinces of Canada annually from 1922 to 1926, inclusive?

2. What is the total importation of hen's eggs by the dozen into Canada annually from China and Japan during the years 1922 to 1926, inclusive?

Hon. Mr. MOTHERWELL:

1. See following tables.
2. See following tables.

EGG PRODUCTION

Canada's Egg Production for 1920 was 121,604,000 Dozens

Province	1921	1922	1923	1924	1925	1926
	Doz.	Doz.	Doz.	Doz.	Doz.	Doz.
Prince Edward Island	2,822,677	3,420,136	3,326,593	3,928,332	4,046,287	3,709,115
Nova Scotia	3,100,796	3,891,510	3,536,406	4,042,344	3,867,237	3,881,657
New Brunswick	2,972,999	5,112,707	3,730,907	4,060,740	4,136,768	3,931,753
Quebec	15,210,691	26,765,043	26,672,975	29,721,310	32,041,625	34,081,125
Ontario	55,196,089	67,685,734	73,959,159	80,681,900	89,009,287	90,628,530
Manitoba	16,169,987	15,239,019	13,871,350	15,048,875	16,429,482	16,646,877
Saskatchewan	42,430,250	36,117,662	37,485,319	36,048,112	33,692,268	38,224,433
Alberta	21,253,325	25,414,212	27,457,313	26,514,275	26,754,959	28,510,014
British Columbia	8,892,340	10,412,445	11,827,133	12,225,611	14,476,550	17,112,770
Indian Reserves	.....	.....	319,353	377,186	324,404	354,125
Total	168,049,154	194,058,468	202,186,508	212,648,685	224,778,867	237,080,390

PER CAPITA CONSUMPTION OF EGGS IN CANADA

—	Population	Production	Export	Import	Per Capita Consumption
					Doz.
*1901	5,371,315	84,132,802	11,363,064	951,745	15·10
*1911	7,206,643	123,071,034	87,420	2,926,856	17·5
1920	8,631,475	144,475,072	6,322,838	6,515,928	16·8
1921	8,788,483	193,049,154	5,444,014	6,582,739	22·0
1922	8,966,834	219,058,468	3,619,356	8,140,547	24·10
1923	9,146,457	227,186,508	2,900,111	6,623,253	25·3
1924	9,226,740	238,648,685	2,716,604	4,980,704	26·1
1925	9,364,200	249,778,867	2,466,270	3,726,311	26·8
1926	9,390,000	262,080,399	1,776,559	4,156,474	28·1

*Census.
1920–25 Bureau of Statistics.

IMPORTATIONS OF EGGS BY PROVINCES FOR 1923

Province	Quantity Doz.	Value $
British Columbia	298,950	94,846
Alberta	67,541	21,404
Saskatchewan	23,516	7,896
Manitoba	337,517	104,973
Ontario	3,592,666	1,133,187
Quebec	2,126,397	671,365
New Brunswick	79,551	24,619
Nova Scotia	95,374	28,448
Prince Edward Island	1	18
Yukon	1,740	550
Total	6,623,253	2,087,306

EGGS FOR DOMESTIC CONSUMPTION

Imports by Provinces and Months for 1924.—Calendar Year.

Month	British Columbia		Alberta		Saskatchewan	
	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$
January	44,059	13,696	27,006	9,495	600	222
February	24,571	7,130	10,560	3,347	2,850	883
March	22,779	5,789	2,671	863	22	41
April	5,184	1,649	83	443	104	545
May	5,984	1,660	148	309	99	656
June	5,141	1,242	34	53	53	326
July	2,892	807	25	10	.....	.....
August	2,657	842	.....	.....	.....	.....
September	6,215	2,598	.....	.....	.....	.....
October	13,805	6,405	25	16	.....	.....
November	3,156	1,020	.....	.....	.....	.....
December	3,770	1,308	2,155	894	.....	.....
Total	140,213	44,146	42,707	15,430	3,728	2,673

Month	Manitoba		Ontario		Quebec	
	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$
January	91,658	23,919	764,295	222,317	307,777	85,907
February	97,163	29,300	1,001,905	337,498	741,521	255,618
March	41,007	12,058	862,615	234,260	691,130	198,443
April	156	304	8,260	4,448	12,988	3,063
May	184	451	3,812	2,926	409	408
June	18	104	2,781	1,537	331	131
July	88	21	2,357	822	171	40
August	34	24	1,207	403	173	35
September	146	37	1,958	717	50	10
October	123	36	3,978	1,419	778	152
November	52	23	3,390	1,386	408	110
December	203	103	26,399	10,161	24,985	9,440
Totals	230,832	66,380	2,682,957	817,894	1,780,721	553,366

Month	New Brunswick		Nova Scotia		Prince Edward Island		Yukon	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$	doz.	$
January	11,730	3,215	24,000	5,400	.....	.....	.....	.....
February	60	23	.....	.....	.....	.....	.....	.....
March	12,033	4,840	49,759	14,167	.....	.....	120	42
April	67	133	7	48	.....	.....	.....	.....
May	82	123	96	383	3	30	315	116
June	11	43	12	90	2	30	.....	.....
July	30	11	12	41	.....	.....	445	118
August	120	45	.....	.....	.....	.....	222	110
September	.....	.....	.....	.....	.....	.....	.....	.....
October	120	49	.....	.....	.....	.....	.....	.....
November	60	29	.....	.....	.....	.....	210	97
December	30	17	.....	.....	.....	.....	.....	.....
Totals	24,343	8,528	73,886	20,129	5	60	1,312	483

Total for Calendar Year

	Dozens	Value $
British Columbia	140,213	44,146
Alberta	42,707	15,430
Saskatchewan	3,728	2,673
Manitoba	230,832	66,380
Ontario	2,682,957	817,894
Quebec	1,780,721	553,366
New Brunswick	24,343	8,528
Nova Scotia	73,886	20,129
Prince Edward Island	5	60
Yukon	1,312	483
Totals	4,980,704	1,529,089

EGGS FOR DOMESTIC CONSUMPTION

Imports by Provinces and Months for 1925.—Calendar Year

Month	British Columbia		Alberta		Saskatchewan	
	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$
January	21,686	7,231	20,460	5,374	540	270
February	71,791	16,113	73,358	29,747	8,310	3,128
March	17,380	5,471	1,259	571	18,521	5,343
April	5,775	1,744	80	333	83	411
May	12,026	3,461	93	213	129	562
June	8,210	2,136	18	32	39	168
July	2,338	726	30	44	.....	.....
August	410	156	.....	.....	.....	.....
September	4,439	2,001	.....	.....	.....	.....
October	2,278	795	.....	.....	.....	.....
November	2,477	893	1,835	788	.....	.....
December	3,736	1,344	240	96	.....	.....
Totals	152,546	42,071	97,373	37,198	27,622	9,882

Month	Manitoba		Ontario		Quebec	
	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$
January	7,675	3,755	69,541	29,832	13,161	5,197
February	77,785	33,007	444,673	183,982	332,185	133,541
March	161,034	46,900	439,878	132,780	724,828	227,563
April	840	644	4,976	3,558	14,254	4,341
May	276	573	1,234	1,804	806	286
June	196	247	1,188	888	787	188
July	181	84	1,423	601	292	83
August	30	10	863	375	1	15
September	86	25	2,286	1,018	12,002	3,601
October	55	21	34,282	11,806	116	26
November	78	27	9,227	3,522	144	52
December	3,466	1,416	25,123	11,816	15,950	8,897
Totals	251,702	86,709	1,034,694	381,982	1,114,526	383,790

Month	New Brunswick		Nova Scotia		Prince Edward Island		Yukon	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$	doz.	$
January	960	481	.....	.....	.....	.....	.....	.....
February	.....	.....	12,600	5,114	.....	.....	605	153
March	5	17	28,097	9,605	.....	.....	.....	.....
April	86	105	57	143	3	12	.....	.....
May	26	43	17	52	4	12	.....	.....
June	6	20	.....	.....	.....	.....	.....	.....
July	30	10	167	90	.....	.....	.....	.....
August	.....	.....	.....	.....	.....	.....	.....	.....
September	.....	.....	.....	.....	.....	.....	.....	.....
October	150	70	.....	.....	.....	.....	90	47
November	310	136	.....	.....	.....	.....	.....	.....
December	60	28	.....	.....	.....	.....	.....	.....
Totals	1,633	910	40,938	15,004	7	24	695	200

TOTAL FOR CALENDAR YEAR

	Dozens	Value $
British Columbia	152,546	42,071
Alberta	97,373	37,198
Saskatchewan	27,622	9,882
Manitoba	251,702	86,709
Ontario	1,034,694	381,982
Quebec	1,114,526	383,790
New Brunswick	1,633	910
Nova Scotia	40,938	15,004
Prince Edward Island	7	24
Yukon	695	200
	2,721,736	957,770

EGGS FOR DOMESTIC CONSUMPTION

Imports by Provinces and Months for 1926. Calendar Year

Month	British Columbia		Alberta		Saskatchewan	
	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$
January	6·695	2,387	90	27	.....	.....
February	6,933	2,393	.....	.....	3	18
March	9,925	3,924	53	148	33	81
April	9,294	3,898	15	94	140	341
May	2,866	1,455	2	25	90	287
June	2,451	954	.....	.....	47	241
July	86,625	13,669	.....	.....	.....	.....
August	.....	.....	.....	.....	.....	.....
September	35,200	5,456	.....	.....	.....	.....
October	106,936	16,885	.....	.....	.....	.....
November	2,886	1,027	240	96	.....	.....
December	10,194	3,365	38,520	14,632	.....	.....
Totals	280,005	55,413	38,920	15,022	313	968

Questions

Month	Manitoba		Ontario		Quebec	
	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$
January	14,689	5,105	56,134	20,423	15,377	4,380
February	3,680	1,072	476,069	144,068	308,855	96,232
March	29,633	8,559	1,067,950	293,970	1,135,514	312,499
April	184	352	30,228	11,177	130,521	37,646
May	225	447	1,989	2,257	105	199
June	163	178	1,525	1,042	174	99
July	11	.....	1,100	584	69,784	10,827
August	.....	.....	400	212	43,250	6,381
September	.....	.....	26,250	7,835	50,000	10,867
October	.....	.....	91,420	20,987	94,500	23,503
November	1,230	635	12,179	5,414	12,800	4,442
December	5,400	2,468	28,212	13,973	92,214	38,611
Totals	55,204	18,816	1,793,456	521,942	1,953,094	545,686

Month	New Brunswick		Nova Scotia		Prince Edward Island		Yukon	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	doz.	$	doz.	$	doz.	$	doz.	$
January	30	14	.....	.....	.....	.....	.....	.....
February	30	11	12,000	3,000	.....	.....	960	323
March	21	57	21,540	5,841	.....	.....	.....	.....
April	1	15	13	17	.....	.....	.....	.....
May	41	42	5	30	2	35	.....	.....
June	2	15	.....	.....	3	14	60	24
July	.....	.....	.....	.....	.....	.....	.....	.....
August	397	183	.....	.....	.....	.....	.....	.....
September	.....	.....	.....	.....	.....	.....	72	79
October	.....	.....	.....	.....	.....	.....	.....	.....
November	215	88	.....	.....	.....	.....	.....	.....
December	90	39	.....	.....	.....	.....	.....	.....
Totals	827	464	33,558	8,888	5	49	1,092	426

TOTAL FOR CALENDAR YEAR

	Dozens	Value $
British Columbia	280,005	55,413
Alberta	38,920	15,022
Saskatchewan	313	968
Manitoba	55,204	18,816
Ontario	1,793,456	521,942
Quebec	1,953,094	545,686
New Brunswick	827	464
Nova Scotia	33,558	8,888
Prince Edward Island	5	49
Yukon	1,092	426
Totals	4,156,474	1,167,674

Memorandum concerning the importation of Chinese eggs into Canada

The customs figures giving the importations of whole eggs into Canada from the orient do not distinguish between salt duck eggs and hen eggs. The figures given in the accompanying table are those taken directly from the customs report.

For the most part these figures represent the importations of Chinese salt duck eggs with the exception of the fiscal year 1924, when some Chinese hen eggs did come into Canada. On inspection a large proportion of these were diverted to the United States, only a small quantity being held for local sale in Calgary by a representative of the oriental exporter. These eggs incidentally found very slow sale.

Previous to the introduction of the import regulations of 1922 large shipments of Chinese eggs reached Canada, a number of which were turned back to the United States through the coöperation of the Department of Health because of their containing such a large volume unfit for human consumption.

Accompanying is a statement of the exact nature of the so-called Chinese salt duck eggs or "century eggs", which comprise the bulk of the imports given in the customs figures.

Chinese salt eggs

More or less is heard about the Chinese "century eggs". These are duck eggs which have been preserved by a coating of mud, rice hulls, lime and wood ashes. The whites become a transparent brownish green, and the yolks a yellowish green. These eggs are held in the preservative for 100 days, and it is probably from this that the name "century eggs" arose. These eggs are considered a banquet delicacy. They do not have a disagreeable odor but taste "eggy". The egg plays an important part in many Chinese customs. In some places, when a child is born, the father sends a red egg, an egg the shell of which has been dyed red, to each of his many friends. Upon receipt of such eggs, the friends return a gift or some money.

Importations of whole eggs from Hong Kong

	Dozens
1922..	116,811
1923..	52,455
1924..	58,044
1925..	51,836
1926..	50,964

STEAMSHIP HOCHELAGA

Mr. QUINN:

1. Has the Steamship Hochelaga been put in the government patrol service in Halifax?
2. If so, who are the owners?
3. What price has been agreed upon for her services?

Hon. Mr. CARDIN (for Mr. Euler):

1. Yes, for a period not exceeding six weeks.
2. Hochelaga Shipping and Towing Co. Limited, Nova Scotia.
3. $5,000 per month.

PATRONAGE IN SOUTH ESSEX

Mr. GOTT:

1. Who holds the patronage for the constituency of Essex South?
2. What is the attitude of the government relative to his recommendations before governmental undertakings become operative?
3. Is it the intention of the government to adhere strictly to a line of party patronage in Essex South?

Right Hon. Mr. MACKENZIE KING: I think this question was ruled out, Mr. Speaker, some time ago. I would like to ask Your Honour's opinion whether it is a question that should be asked.

[Mr. Motherwell.]

Mr. SPEAKER: The question was ruled out because I found that the language was not in conformity with parliamentary usage, but the language of the question as now framed is, in my humble judgment, parliamentary.

Mr. GOTT: Is the question embarrassing to the Prime Minister?

Mr. SPEAKER: Order.

On the question being reverted to later:

Mr. MACKENZIE KING: The only answer to this question is that the government controls the patronage.

ITALIAN IMMIGRATION

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Yesterday I asked the Minister of Immigration a question concerning Italian immigrants. I should like to ask today whether the department has under consideration an arrangement for bringing in Italian immigrants, and if so, under what conditions?

Mr. FORKE: I might answer no.

PRIVILEGE—MR. BENNETT

On the Orders of the Day:

Hon. R. B. BENNETT (West Calgary): I rise to a question of privilege. I was absent from the House Friday afternoon and the Solicitor General (Mr. Cannon) made a statement—I cannot think he did it designedly—in which he asserted that in a previous debate last year I had supported section 41 of the then act respecting the deportation of undesirables, and had alleged that the section was of no value at all. His language is to be found on page 2123 of Hansard this year. The fact is that there is no warrant for any such statement. If he had read a few lines further in Hansard he would have seen that I not only opposed the repeal of section 41 at that time, but stated my reasons for so doing in terms similar to those employed this year, and further I pointed out that the section as then drawn, which was a new section 41, was a needless repetition, inasmuch as the point was covered by the then section 40 of the act, and I stated that the section proposed to be substituted was of no value. That is an entirely different thing from stating that section 41 of the act was of no value. I supported the retention of section 41 last year as part of the statute law of the country. I will not take time to do more than point this out, because

at this stage it is not necessary I should read what I stated on that occasion, but if desired I will do so. But I desire to make it clear that I supported the retention as part of the statute law of this country in the present statute. I made that very clear then. I said:

> This is not the day to relax the arm of the law, this is not the day to lessen the authority of our officials to bring to account men who are deliberately endeavouring to destroy our institutions.

I think it necessary to correct the misstatement placed upon Hansard in respect to my attitude last year on this question.

Mr. CANNON: One moment—

Mr. SPEAKER: This question is not debatable.

Mr. CANNON: My hon. friend concluded his remarks by saying I had made a misstatement.

Mr. BENNETT: No doubt about that.

Mr. CANNON: I never intended to say anything unjust or unfair about my hon. friend from West Calgary. The Hansard report is exactly what was said, and I leave it to the House to judge of the matter. I repeat I had no idea of being in any way unjust to the hon. member.

CIVIL SERVICE SALARIES

RAILWAY MAIL CLERKS

On the Orders of the Day:

Hon. P. J. VENIOT (Postmaster General): I wish to make a reply to the question asked by the hon. member for South Toronto (Mr. Geary) in connection with the railway mail clerks. I will quote the question and I will give the reply and have it placed on Hansard, because inquiries are being made from different sections of Canada and it might be as well to put it on Hansard, so that one answer will do for all. The inquiry of the hon. member for South Toronto was as follows:

> I would like to ask the Postmaster General if he will give an answer to a question which comes from London and which arises by reason of an accident which occurred the other day in which certain railway mail clerks were injured. They desire to know whether the fact that railway mail clerks are engaged in a hazardous occupation will have any effect upon the civil service salary revision as it affects their class.

The answer to that would be: The more or less hazardous nature of railway mail clerks' duties was taken into consideration when the original compensation schedules were fixed, and the present salary revision is not intended to alter the relativity between the compensation schedules for the different classes, but simply to provide a general increase to the service as a whole. The compensation for accidents is dealt with on the merits of each case and such sum put into general estimates each year. This year the estimates contain $5,000 to meet such cases.

SOLDIER SETTLEMENT BOARD AND DEPARTMENT OF SOLDIERS' CIVIL RE-ESTABLISHMENT

On the Orders of the Day:

Mr. H. B. ADSHEAD (East Calgary): I have been requested by the organization in Calgary to ask if it is the intention of the government to bring under the Civil Service Act the Soldier Settlement Board or the Department of Soldiers Civil Re-establishment.

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment): The matter is under consideration, so far as the Department of Soldiers' Civil Re-establishment is concerned.

SALE AND INSPECTION OF AGRICULTURAL ECONOMIC POISONS

SENATE AMENDMENTS CONCURRED IN

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 257, to regulate the sale and inspection of agricultural economic poisons.

Mr. GARDINER: What is the nature of these amendments?

Mr. MOTHERWELL: The amendments are comparatively unimportant. They have made some slight changes in the bill. For the word "poisons" they have substituted "pests' control," and the definition of packages is changed to mean any container. They have made some unimportant changes, which make the bill neither better nor worse in my opinion.

Motion agreed to; amendments read the second time and concurred in.

FEDERAL DISTRICT COMMISSION

SENATE AMENDMENTS CONCURRED IN

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 280, respecting the Federal District Commission.

He said: This amendment simply vests in the Federal District Commission the assets

of the Ottawa Improvement Commission and imposes on the Federal District Commission the duties of the Ottawa Improvement Commission.

Motion agreed to; amendments read the second time and concurred in.

THREE RIVERS HARBOUR COMMISSIONERS' ACT

CONCURRENCE IN SENATE AMENDMENTS

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 302 to amend the Three Rivers Harbours Commissioners' Act 1923.

Motion agreed to; amendments read the second time and concurred in.

PENSION ACT AMENDMENT

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment) moved the third reading of Bill No. 234 to amend the Pension Act.

Hon. R. B. BENNETT (West Calgary): Mr. Speaker, I rise to move the following amendment, seconded by Mr. Guthrie:

That all the words after "that" be struck out and the following substituted therefor:

"the bill be recommended to the committee of the whole house, with instructions that they have power to add thereto the following section as section 4:

4. It is hereby declared that the Pension Act shall be construed and administered as remedial legislation, and that if there be a reasonable doubt as to the right of an applicant to pension the applicant shall be given the benefit of such doubt.

(2) If the decision of the Board of Pension Commissioners for Canada be reversed by the Federal Appeal Board acting within its statutory jurisdiction, the judgment of the Federal Appeal Board shall thereupon for all the purposes of the Pension Act be deemed to be and be the decision of the commission.

(3) For the purposes of the Pension Act the disability on discharge of an applicant for a pension who actually served in the theatre of war shall in the absence of misrepresentation or concealment on enlistment be conclusively presumed to be attributable to military service."

I do not propose Mr. Speaker, to take any considerable time in speaking to this amendment. The matter has been discussed in committee and it is only necessary that I should make two or three observations to direct the attention of the House to the purpose intended. It will be observed that subsection 1 of the proposed section declares that the act shall be considered and administered as remedial legislation. It is true that section 15 of the Interpretation Act applying to all statutes passed by this parliament provides in terms that every statute:

—shall be deemed remedial, whether its immediate purport is to direct the doing of anything which parliament deems to be for the public good, or to prevent or punish the doing of anything which it deems contrary to the public good.

But it will be observed there is no provision that such statute shall be administered as remedial legislation, and in this instance I submit it is desirable, having regard to the observations made by the Minister of Defence the other evening as well as by the Minister of Soldiers' Civil Re-establishment, that the Pension Act should be not only construed as remedial legislation but administered as such, and if there is a reasonable doubt as to the right of an applicant for a pension that doubt should be resolved in his favour. By "reasonable doubt" is meant an uncertainty of mind, not based upon affection or prejudice, but representing a real and reasoned indecision from given facts. If there be a doubt or uncertainty under those circumstances, it may be designated as reasonable, and in the administration of the act that doubt should be resolved in favour of the applicant.

With respect to the second subsection of the proposed section, it is merely a provision to overcome the difficulty to which I directed attention the other evening. Where the pension board has been overruled by the Federal Appeal Board, that judgment, instead of remaining nugatory and inoperative, shall be deemed to be the decision of the commission itself, the word "commission" being defined by the statute to mean the Board of Pension Commissioners for Canada.

With respect to the third subsection, there is of course much difficulty. It is true that post war condition has sometimes been directly referred back to the pre-war condition of a soldier who enlisted for service, and all that is hoped to be accomplished at this time —having regard to the statements made by the ministers the other evening that they are inquiring into the whole operation of the act—is to provide that where a soldier has been in the actual theatre of war his condition on discharge must be conclusively presumed to be the result of his service. In other words, it is not open for this Dominion to say that the condition of a soldier on discharge is attributable to his enlistment condition. If he was sound enough or of sufficiently good health to be attested and enlisted, it must be taken that if he served in the actual theatre of war there is conclusive presumption that such disability was caused by his military service.

In regard to this, I hold in my hand a letter that I have received from a city in Ontario since I last addressed the House. The writer, a young man, says:

> I saw a service in France, and when I state "service" I mean front line service from October 3, 1916 to August 25, 1918, which includes the Somme, Vimy Ridge, Hill 70, Passchendale ridge, Amiens, Mount Kemmel and the commencement of the drive for Boulon Woods. In the latter all my company with exception of about eight men were badly gassed, myself being one that was gassed and invalided to England where I remained in hospital until about two weeks before armistice was signed. Now Mr. Bennett I think you will agree with me that whatever my disabilities were when I enlisted they surely were not improved any after two years of continuous privations. I think if my war service is checked up I missed seven or nine days of front line duty while out in France. I doubt whether there are many first division men with as much continuous front line duty to their credit, if credit be such.

Now, that young man when dealing with the question of a pension was confronted by the fact that prior to enlistment his health had not been as sound in one particular as he might have desired, and it was by the Board of Pension Commissioners concluded that a part of his disability was attributable to his pre-war conditions. It is to overcome such a difficulty that this amendment has been suggested.

I have also a communication received from another town in Ontario, in which the young man says that he had a piece of metal in his eye, the wound entirely healed, and he thought his eye was all right, but he told the attesting officer that fact. He joined the flying corps and:

> —while flying another plane flew across the tail of my plane at about four thousand feet which made me crash. Somehow I managed to pull up near the ground, how I don't know, but I landed upside down, bruised my head, hurt my ribs and lost the sight of my right eye and damaged my knee.

The pension authorities assumed that his disability should be 16 per cent instead of 20 per cent because he had the injury to his eye in the days of his youth, which he had entirely forgotten except to mention it when he was attested.

I bring these matters to the attention of the House in no party sense. I realize the difficulty of the minister with whom I have discussed the matter, and I realize also the difficulty there is in endeavouring to deal with the multitudinous cases that have arisen under the statute. My effort has been to deal with what I conceive to be those pressing cases which should be dealt with so as to restore in some degree a sense of confidence in the good faith of the country as a whole when we made the promise during the war that those who were disabled in the service of their country would be taken care of through our Pension Act. I am not unmindful of the many difficulties that have to be encountered in the administration of the statute, and I realize there are many, many suggestions that might be embodied in the form of amendments to this measure. The minister pointed out the other night that he proposed to reconsider and consolidate the Pension Act. I apprehend that the act will be consolidated by the commission dealing with the revision of the statutes. But he will revise and consolidate it during the recess and submit it to parliament for consideration in the early days of next session. But I cannot think it desirable—nay, I do not think it is at all in the interests of the country as a whole—that at this time we should leave our places in parliament without at least making a declaration in the form of the amendments I have suggested. We ought in the first place to declare that it is our wish, wherever there be a reasonable doubt—and the word "reasonable" is always construed in the sense I have indicated—that such doubt be resolved in favour of the applicant, and that where any man has been attested as sound, after having seen service in the front line trenches in any theatre of war, to use the words of the statute, this country should be precluded and estopped from setting up that the condition of the soldier on discharge was not attributable to military service. I cannot, in any amendment I might suggest, deal with all cases that are likely to arise, but that is the general principle I lay down. The other difficulty concerns the relative position of the Board of Pension Commissioners and the Federal Appeal Board, and it is a difficulty that might readily lead, one might almost say, to public scandal. I suggest that wherever it is within the statutory jurisdiction of the Federal Appeal Board to hear an appeal, and wherever such an appeal has been heard and the judgment of the pensions board has been reversed, the judgment of the appeal board should become thereupon the judgment or decision of the Board of Pension Commissioners itself.

Respecting the general power of a private individual even to suggest amendments of this character, I realize the limitations that are imposed upon us. I therefore have endeavoured to eliminate any possible charge of having proposed new legislation involving the expenditure of public moneys. Rather, I have contented myself with making pro-

cedural declarations calculated, in my judgment—it is of course entirely for the House to say to what extent these declarations reflect the general feeling—to make somewhat easier the way of those who have claims upon the state by reason of services they have given. Above all, I submit that what I propose will make for a more contented state of mind among the soldiers, a calmer and fairer appreciation, perhaps, of the difficulties under which the ministers are carrying on their duties. And these difficulties are quite serious in every country where pensions have to be awarded. I do commend these amendments to the House, and I do so in none but the most earnest desire, by means of these short provisions, to afford some temporary relief until such time as the government may be able to deal with the matter in more comprehensive terms.

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment): On April 1, in reply to a question asked by the hon. member for Rosetown (Mr. Evans), I intimated that the government, after having reviewed the mass of material submitted by various soldiers organizations in February of this year requesting amendments to the Pension Act and changes in the administrative regulations, had decided that the whole subject was so comprehensive that they did not feel they would be justified in altering this session the principle on which pensions had been heretofore granted. Our Pension Act, I pointed out, had been built up during the war. The present act passed in 1919, and the subsequent amendments thereto, have been the controlling instruments for the administration of pensions in Canada. It is well known to hon. gentlemen that the pensions board is composed of three members, a chairman and two others. The chairman has been associated with the administration of pensions since 1917. He is a man of high educational attainments, with a good overseas record, and, I understand, is an eminent lawyer. He is the son of a former Minister of Justice and Prime Minister of this country.

A suggestion was made in the debate on April 7 that there had been a hardening in the administration. Well, that is difficult to say. We know that our pensions bill is growing from year to year. It may be that the act should be broadened, and I am satisfied that the people of Canada have every wish to deal justly with soldiers. I believe an attempt has been made by parliament to formulate legislation broad enough to realize that wish of the Canadian people. It is the duty of the government to interpret the will of the people, and parliament is the place wherein the government may learn the point of view held by various sections of the country.

The act was brought into being in 1919 and was amended in the years 1921, 1922, 1923, 1924 and 1925. Probably the most important contribution to the amendment of our pensions legislation was due to the efforts of the Ralston commission, which was appointed in 1922. That commission has perhaps contributed more information and general knowledge to the consideration of one of the most important questions, if not indeed the most important, before the Canadian people than any other governmental activity, and out of it many far-reaching amendments were made to the statute in 1924 and 1925. My colleague, the Minister of National Defence (Mr Ralston), was chairman of that commission. He is now a member of the government, and with his wide knowledge of all matters affecting the returned soldiers—a knowledge gained in the course of an extensive investigation into the subject—he will be invaluable to the government and to the people of Canada in dealing with our soldier problem. I indicated on April 7 that the government were of the opinion that this material submitted to us in February of this year should be thoroughly digested departmentally and in government circles, and that such legislation as the government deemed necessary, in the light of the representations then made, should be prepared in the form of amendments and submitted to parliament at an early date at the next session.

It has been the practice of parliament and of different governments when important amendments were mooted in this connection to have the question under advisement submitted to a representative committee of the House. And is not that the wisest course? I think it will be generally conceded that that has been the proper procedure; it has done more than anything else to keep our pensions administration out of party politics. I appeal to the House on this occasion to see to it that the same course shall be pursued in the future, and I will undertake as minister to see that all representations submitted in behalf of the soldiers shall be given serious consideration during the summer with a view to having any amendments growing out of them referred to a special committee of the House at the next session.

Let me briefly refer to the amendments proposed this afternoon. I will not discuss them at any length; as, I think, it would be better for the Solicitor General (Mr. Cannon), with

his wide knowledge of the statute, to deal with these amendments. I wish however to direct the attention of the House to the third amendment. If the principle therein propounded should be adopted by this House we surely have introduced something new in connection with the granting of pensions in Canada, and I am told by the officers administering the act that it would entail a very large addition to our pensions bill. I am satisfied that on the third reading of a bill this parliament will not wish to adopt a new principle of this character; if that principle is right, involving as it does millions of dollars, then it should be carefully considered and its effect made known not only to members of the committee but to members of this House. I would suggest, Mr. Speaker, that the course originally suggested by myself, speaking for the government, should be followed at this time, and that the bill should not be referred back to the committee but should receive third reading.

Mr. ROSS (Kingston): Before the minister concludes would he say what principles contained in the amendment are new?

Mr. KING (Kootenay): I think my hon. friend will understand that it opens the door very wide and brings in a new principle.

Mr. ROSS (Kingston): I have repeatedly heard representatives of the pension board tell committees of this House that they deal with cases of a reasonable doubt, but of course we know they do not. What other is a new principle?

Mr. KING (Kootenay): I am told that it opens the door very wide and will make a great difference in administration and in the cost.

Mr. McGIBBON: Surely the minister does not raise the question of cost.

Mr. KING (Kootenay): I am not raising any objection as to the cost, but I say parliament should be advised of that cost.

Mr. SPEAKER: I must remind hon. gentlemen that we are not in committee of the whole but are considering the third reading of this bill.

Mr. H. B. ADSHEAD (East Calgary): I did not quite catch the substance of the amendment of the hon. member for West Calgary (Mr. Bennett). I would like to draw the attention of the minister to a case in my own city of Calgary, that of a man who had been afflicted with a form of Bright's disease before he enlisted. He said, "I was good enough to be taken into the force and I was anxious to serve, but I had this little trouble." During the course of the war this disease was aggravated and he is now unable to do any work; he applied for a pension and was refused on the ground that his disability did not result from the war. I would like to know if this new pension act would apply to cases of that kind, because the application of this man has been refused several times already.

Mr. KING (Kootenay): I am trying to indicate to the House that amendments of that character, which would enlarge the field of pensions, should be considered by a committee of this House rather than rushed through hurriedly, and that is why I am asking the House not to consider favourably the amendment that has been proposed. I am not taking exception to the amendment, but rather to the time of its presentation.

Mr. ADSHEAD: Would the act cover a case such as I have referred to?

Mr. KING (Kootenay): I could not say, because each of these cases must be judged on its merits.

Mr. JOHN EVANS (Rosetown): I am fully in accord with the principle of the amendment. I will not take the time of the House to narrate instances of which I know, but as I have said before it does seem to me that the act is too rigid and does not permit of a sympathetic interpretation, which the amendment would seem to cover.

Mr. JAMES ARTHURS (Parry Sound): Just before the amendment carries, I would like to say a few words on this question. I have asked the minister on one or two occasions for certain information with regard to the number of appeals made to the appeal board, and the number which were successful. I have not those figures under my hand at present, but doubtless the minister has put them on Hansard. I would point out that whereas the committee which sat two years ago intended that all appeals should come before the appeal board, at present only those appeals are heard which have to do with the eligibility of a man for pension, and the board has nothing to do with the cessation of pension, with the increase or decrease of the amount, or with the diagnosis. That board simply says whether a man is or is not eligible for a pension, which does not cover the real cause of complaint. I am satisfied that the minister has not taken the best course in not having this question looked into during the present session; I believe it should have been done, and I sincerely hope that if the government press this to its absolute conclusion

to-day, they will make up their minds to have a committee appointed in the regular way next year in order to go into this matter regardless of what any other chamber or parliament in this country may or may not do.

Mr. W. J. WARD (Dauphin): I would not have risen at all in connection with this matter, except that I wish to state my hearty agreement with the amendment offered by the hon. member for West Calgary (Mr. Bennett). The minister in charge of this bill made some reference to the cost of these pensions, and pointed out that the amendment would broaden the act. I do not see it in that light at all. It is not a question of broadening the act, but a question of giving equality of opportunity. I could enumerate a great number of cases which I have on file and which involve the question of equality; I have one case in mind, that of a boy who enlisted in 1915, and who, when he left the army, was shown by his medical sheet to be blind in the right eye. I have repeatedly taken up the matter with the Board of Pension Commissioners and they insist that the boy was blind in that eye when he enlisted. If that was the case, and a partially blind boy was accepted by the examining officer, surely there must have been something seriously wrong. I knew this boy before he enlisted, and personally I am convinced that he was not blind at all. I merely mention that case because he is a chap who should be getting at least a 40 per cent pension, and has received nothing at all.

I remember the case of another boy, who was suffering from diabetes. He was accepted for service, spent three years in the army and came out a physical wreck. Since that time he has never been able to earn a livelihood, yet because his medical adviser told him he had suffered from diabetes before entering the army, he is debarred by the present law from participating in any pension. I think the government could do many worse things than accept the amendments of the hon. member for West Calgary; in fact I believe they are about five years overdue. I am sure any member of this House who has had occasion to visit the pension board and the appeal board during the last four or five years must be impressed with the difficulty experienced in getting consideration for returned men. That fact has resulted in our having demands from all over this country for the abolition of the Department of Soldiers' Civil Re-establishment, the pension board and the appeal board. I have had applications from returned men demanding that these organizations be abolished. Why? Because the returned men believe that these organizations are not giving the service they should, and that they are costing too much for the service given. Personally I think that the Department of Soldiers' Civil Re-establishment should be abolished; I think it has outlived its usefulness. There ought to be ways and means of dealing with disabled returned men much more expeditiously and effectively, and at a lesser cost, than is the case at the present time. I was hoping that the government would accept the very moderate amendments of the hon. member for West Calgary; it would relieve the members of this House of a great deal of difficulty. I can visualize in the next few years a continuation and an increase of the difficulties we are having in trying to get redress for returned men who are to-day suffering from grave disabilities incurred during their war service, but who cannot get justice done them under the present act.

Mr. G. G. COOTE (Macleod): I think this amendment is in the right direction and something that we have needed, for the last two or three years at any rate. I have had several cases brought to my attention of men who I think need a little more reasonable treatment by the pension board, and I would suggest to the minister that he should accept this very moderate amendment. I think that the men should not be asked to wait for another year till the government considers the proposal which seems to me to be so necessary and which, after all, is so very moderate in its character. The country can very well afford to pay whatever increase in expenditure would be necessary if this amendment goes through. I hope the minister will change his mind and permit the amendment to pass.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): I should like to express the same hope from another section of this corner. It does seem that there ought to be a more generous interpretation of the act, and until the act can be changed the amendment would appear to be one way of overcoming the difficulty. I trust that we shall not be asked to wait for another year before doing something for the men who need help.

Hon. LUCIEN CANNON (Solicitor General): As the mover of the amendment has stated, this is in no way a political matter, and should not be treated as such by the House. Every member, no matter on which side he sits, is of one mind on the question at issue, and that is to treat the returned man in the best possible way. I have listened to speeches which have been made in the course of this

debate by members who are more conversant, it may be, with the condition of the returned man than I am, perhaps myself. My contribution to this debate will have no reference to the technical side of the subject; I wish to state in a very brief way what the real meaning of the amendment suggested by the hon. member for West Calgary is, in so far as the law is concerned.

The hon. member suggests that the bill should be referred back to committee and that then we should insert in it three amendments. The first amendment may be summed up as meaning, that whenever a reasonable doubt exists it should be resolved in favour of the applicant, that is in favour of the soldier who is before the board seeking a pension. Everyone will admit that whenever a reasonable doubt exists the soldier should be given the benefit of it, so that the only question is whether the amendment proposed by my hon. friend is necessary or not. If I vote against the amendment proposed by the hon. member for West Calgary I do not wish my vote to be construed as meaning that I am against the principle of the amendment, but if I find that that amendment is useless under the existing law I think we should not insert it in the bill. What is the law as it actually exists? It is that the commissioners who are called upon to decide a case shall weigh the evidence to the best of their ability; and I need not recall to the House that the members of the board as at present constituted are competent in such matters. When a doubt exists there is absolutely nothing in the law as it is to-day which prevents that doubt from being resolved in favour of the applicant. The commissioners can take that course now.

Mr. RYCKMAN: But they do not.

Mr. CANNON: And moreover not only is there nothing in the law which prevents the applicant from being given the benefit of that doubt, but there are the provisions of section 15 of the Interpretation Act, which deals with all legislation that we have on our statute books, and which applies consequently to the Pension Act. My hon. friend from West Calgary says that clause 15 only mentions "interpretation" but that clause mentions "interpretation" when the law is to be applied.

Mr. BENNETT: It does not deal with administration.

Mr. CANNON: If my hon. friend will allow me, section 15 says that every act, and every provision and enactment thereof, shall be deemed remedial. There is no practical object in inserting in an act what is actually the law at the present time. My hon. friend in his amendment says:

It is hereby declared that the Pension Act shall be construed and administered—

Mr. BENNETT: "And administered."

Mr. CANNON: —

—as remedial legislation.

Mr. BENNETT: "And administered." That is not in section 15.

Mr. CANNON: If my hon. friend will allow me, I am making my argument. It says:

It is hereby declared that the Pension Act shall be construed and administered as remedial legislation.

Now our law in our statute says:

Every act and every provision and enactment thereof, shall be deemed remedial, whether its immediate purport is to direct the doing of any thing which parliament deems to be for the public good, or to prevent or punish the doing of any thing which it deems contrary to the public good.

Therefore, the general rule is laid down that every piece of legislation is remedial. Let us now read the last part of section 15, and here we come to what divides my hon. friend and myself:

—and shall accordingly—

These are instructions contained in our law:

—and shall accordingly receive such fair, large and liberal construction and interpretation as will best ensure the attainment of the object of the act.

How can you attain the object of an act when you do not administer it? Therefore, I say that this section 15 applies to administration or it has no sense at all, and then I conclude that the first part of my hon. friend's amendment is useless because it is in the law already.

Coming to the second part, when he says that the benefit of a reasonable doubt must be given to the soldier, he is simply stating what the commissioners can do already. The only objection that can meet this point in my argument is the objection that has been raised by my hon. friend opposite when they say: But they do not do it. My answer to that is very simple. If a judge does not interpret the law as it should be interpreted, and the way to interpret and administer the law is laid down in section 15 which I have just read, the remedy is not to amend the law in order to supply the defects in the mind of the judge, but to improve the judge and see that he interprets the law as it should be interpreted or else remove him. That is the sensible way of looking at things.

Mr. McGIBBON: Would the minister advocate removing the board?

Mr. CANNON: I do not advocate that. I am simply answering the argument. I am saying that gentlemen on the other side wish to put in our law an amendment which has absolutely no practical meaning, which does not add in any way to the existing law, and the reason which they give is that the commissioners in certain cases have not given the decisions they should have given. My answer is this: Suppose a judge is on the bench dealing with a criminal case, and for some reason or other his decisions are not in conformity with the law; are we to amend our criminal code in order to correct the misjudgment of the judge, or are we to see to it that the judge himself improves his decisions, either by removing him or by giving him directions that will guide him in his future decisions? I have no doubt, Mr. Speaker, that the debate which has taken place will show to the board the mind of the representatives sitting in parliament, and that the commissioners, being apprised of what the members wish, will certainly follow the instructions of parliament; and as I say, they have in the law as it exists to-day everything needed to meet the objections which have been pointed out in debate in this House.

Coming to the second amendment, it deals with the case where there is a conflict between the pension board and the appeal board. This conflict arises—I ask my hon. friend from West Calgary to follow me in this and correct me if I am not right—simply over one point, namely, when the pension board deems that the appeal board has rendered a judgment in matters which are outside their jurisdiction. That is the only point over which conflict arises between the two bodies to-day. It is a conflict as to their respective jurisdictions. Would we be removing that conflict by adopting this amendment, if it is adopted? Not at all. I call the attention of hon. members to the wording of this amendment:

> If a decision of the Board of Pension Commissioners of Canada is reversed by the federal appeal board acting within its statutory jurisdiction—

So this amendment simply says this: When the federal appeal board gives a decision, if that decision has been given by the board acting within its statutory jurisdiction, then the judgment of the federal appeal board is final. But nothing is added by this amendment; the law says that already. Whenever the federal appeal board gives a decision within its jurisdiction, the law now says that that decision is final; and whenever it gives a decision outside its jurisdiction, why should that decision be acted upon?

Mr. McGIBBON: Is it not a fact that there are cases where the federal appeal board gives decisions favourable to the applicant for a pension, and yet he gets none.

Mr. CANNON: Certainly, and I say that that is a state of affairs which ought to be remedied, but I add that the amendment introduced by my hon. friend would not remedy it.

Mr. McGIBBON: Sure it would.

Mr. CANNON: Perhaps my hon. friend will follow my argument before jumping at conclusions; that is all I ask him to do. The conflict between the two boards is a conflict which arises out of the fact that the jurisdiction of the appeal board is contested by the pension board. Now this amendment says that only decisions given by the federal appeal board which are within their jurisdiction shall be final. But the law says that already; this amendment does not improve things in any way; things remain exactly the way they are. The proper remedy would be to define that jurisdiction. The proper remedy would be, if we wish to extend the powers of the federal appeal board, to extend them, but the moment those powers are extended we should define their jurisdiction in such a way that there can be no possible ambiguity as to the extent of the board's jurisdiction. My hon. friend does not do that by his amendment. The first amendment has no meaning in law; the second amendment has no object in law; but this amendment, if I may say so, has another object, and the members of this House, if they do not examine carefully these amendments, will be placed under the impression, like some hon. members who have already spoken, that in voting against them they are voting against the soldiers and putting them in a more unfavourable position than they are in to-day. If these amendments improved the condition of the soldiers in any way I would support them, but I say it is useless to adopt these amendments because we would only be putting in the bill something that does not mean anything.

Coming to the third amendment, it seeks to change altogether the basis upon which pensions are to be granted. We may do that; we have the authority to do it, but should we not pause before doing it and ask ourselves this question. This bill is now up for its third reading. We are at a stage of our

proceedings where there is very little opportunity to study the real consequences and meaning of this amendment. Is this the time to introduce in our legislation such a radical change? Why not follow the suggestion of the hon. minister, which is very fair? The hon. minister does not bar the door to any amendments. He does not refuse to the soldiers any improvement in the situation. He does not bind the government or this House to refuse any amendment in the future. On the contrary, he admits the situation offers features of such a nature that parliament should intervene and change the law. But he says, we must have time to consider these amendments. He says, "Let us see to it that the amendments which are adopted will be the result of mature consideration and not of hasty drafting of sections the significance of which is uncertain and indefinite. This is the stand we take. Is that not fair and reasonable?

Mr. WOODSWORTH: Would the minister suggest that we stay here until the question of pensions to the soldiers has been properly arranged?

Mr. CANNON: My answer is very simple. I have no objection to staying, and those who wish at this time really to improve the legislation which exists should not adopt the means of moving amendments to the third reading; the amendments should be submitted to a committee which would have time to consider them maturely.

Mr. IRVINE: Were those amendments not submitted to the committee?

Mr. CANNON: No.

Mr. IRVINE: Not discussed?

Mr. CANNON: No, these amendments are the result of a general discussion which took place in this House, but they are drafted in such a way that two of them mean nothing, and the last one introduces in our system a new basis. Are we willing to accept that basis?

Mr. IRVINE: What is that?

Mr. CANNON: The new basis, as far as the medical evidence is concerned, if I understand it, means that if a man has given his service at the front, the fact that he has enlisted and given that service will be sufficient to prove that any disability is attributable to his war condition.

Mr. BENNETT: This is on discharge.

Mr. CANNON: Yes.

Mr. WOODSWORTH: Has the government any alternative to meet the situation for this year?

Mr. CANNON: Yes. First, when it comes to improving the law and amending it, we wish to have a committee composed of the most competent members on both sides of the House to examine the question, go into it to the fullest extent, and then bring to the House, to those who are less conversant with the matter, reports which will enable us to have the law as perfect as the human mind can make it. This is one suggestion made by the minister. Our second suggestion is that if there are really needy cases there is a clause already in our law, the meritorious clause, which enables the board to deal with them immediately. This is not a political matter in any way. All members of the House are of one mind. The principles that have been expounded by the hon. member for West Calgary (Mr. Bennett) and others in the House are principles in which we all join. Our only differences in views are as to the means and methods to be adopted to attain the object. These proposed amendments would not meet this object. They have been drawn up in such a way that they certainly do not mean what the hon. member for West Calgary intended them to mean.

Mr. BENNETT: I will take a chance on that.

Mr. CANNON: This is not a matter in which we should take chances.

Mr. BENNETT: I will take a chance that they mean what I intended them to mean.

Mr. CANNON: We are dealing now with the serious question of pensions. Are the members willing to take a chance on an amendment? Will they vote on an amendment, the meaning of which they are not sure of?

Mr. ADSHEAD: Then what chance have the men who are in need of and entitled to pension of obtaining that pension before parliament meets again?

Mr. CANNON: There is a meritorious clause in the act.

Mr. WOODSWORTH: How many cases have been dealt with under that meritorious clause?

Mr. KING (Kootenay): I understand thirteen cases have been taken up, and others are under consideration. It is only recently that it has been made effectual.

Mr. WOODSWORTH: Does that fact not show that it has not been effective?

Mr. WHITE (London): How long has that clause been in the act?

Mr. CANNON: That would not matter. I suppose the soldiers understand that if they apply to the board and their application is refused, it is final.

Mr. WOODSWORTH: Would the hon. member deny that the adjustment bureau has again and again tried to take advantage of that clause and finds it impossible to do so?

Mr. CANNON: We are coming to the same point. We admit we have in our law all the remedies which we need. For instance, if there is a needy case we have the meritorious clause. But the objections are that the board does not apply the law as it should be applied.

Mr. IRVINE: Change the law.

Mr. CANNON: Again I come to the first question I put to the House. If the law is badly interpreted by any tribunal in the land, are we to amend the law to meet the interpretation, or are we to improve the tribunal? We are going to have a vote on this question, and if the vote has any meaning, after examining these amendments as I have examined them, it is simply this: even if the two first amendments were adopted the condition of the soldier would not be improved. Are we going to make this a party question and divide the House when we have no practical object in doing so? Or are we going to say: "Here is a question that has to be settled. People are not satisfied, as they should be." Let us assume that during the recess this question is taken up by people who are qualified to deal with it and competent to solve it, and at the opening of the next session a committee composed of the most competent members on all sides of the House will sit, examine the question and make a report. We will then be in a position to amend our law in order to meet the just demands made upon us, whereas if we try to introduce these amendments now we are simply confusing the issue.

Mr. BARBER: I may say, Mr. Speaker, that I waited on the board this morning and was informed that the minister acts under the meritorious clause.

Mr. COOTE: The minister deprecated dividing the House on party lines. Why is it necessary to do so? Why not let every member vote according to his judgment?

The House divided on the amendment (Mr. Bennett) which was negatived on the following division:

YEAS

Messrs:

Adshead,
Anderson (Toronto-High Park),
Arthurs,
Barber,
Bell (St. John-Albert),
Black (Halifax),
Bowen,
Brady,
Campbell,
Cantley,
Carmichael,
Chaplin,
Charters,
Coote,
Cowan,
Dickie,
Edwards (Frontenac-Addington),
Edwards (Waterloo South),
Embury,
Ernst,
Esling,
Evans,
Fansher (Last Mountain),
Fansher (Lambton East),
Fraser,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Geary,
Grimmer,
Guthrie,
Hanson,
Harris,
Heaps,
Hodgins,
Irvine,
Jelliff,
Jones,
Kaiser,
Kennedy,
Ladner,
Lennox,
Lucas,
Luchkovich,
Macdonald (Kings),
Macdougall,
MacNutt,
Macphail (Miss),
McGibbon,
McGregor,
McRae,
Maloney,
Maybee,
Peck,
Pettit,
Preston,
Price,
Rennie,
Robinson,
Ross (Kingston City),
Ryckman,
Ryerson,
Short,
Simpson,
Sinclair (Wellington North),
Smith (Cumberland),
Smoke,
Spence (Parkdale),
Spencer,
Stewart (Leeds),
Stinson,
Stirling,
Thompson,
Tolmie,
Tummon,
Ward,
Woodsworth,
Young (Toronto Northeast).—78.

NAYS

Messrs:

Allan,
Auger,
Beaubien,
Benoit,
Bettez,
Blanchard,
Boivin,
Bouchard,
Boucher,
Boulanger,
Bourgeois,
Bowman,
Bradette,
Brown,
Cannon,
Cardin,
Casgrain,
Cayley,
Chevrier,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Desaulniers,
Descoteaux,
Deslauriers,
Donnelly,
Duff,
Dunning,
Edwards (Ottawa),
Elliott,
Fontaine,
Forke,
Gervais,

Girouard,
Glen,
Goodison,
Goulet,
Guérin,
Hall,
Heenan,
Hepburn,
Howden,
Ilsley,
Jenkins,
Johnston (Long Lake),
King (Kootenay East),
King, Mackenzie (Prince Albert),
Laflamme,
Lanctôt,
Langlois,
Lapierre,
Lavigueur,
Letellier,
Lovie,
Macdonald (Glengarry),
MacLean (Prince),
McLean (Melfort),
McIntosh,
McKenzie,
McMillan,
McPhee,
Malcolm,
Mercier (Laurier-Outremont),
Millar,
Milne,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Motherwell,
Neill,
Odette,
Perras,
Pouliot,
Power,
Ralston,
Rinfret,
Robb,
Roberge,
Robitaille,
Ross (Moose Jaw),
Rutherford,
St.Père,
Séguin,
Smith (Stormont),
Spence (Maple Creek),
Steedsman,
Stewart (Edmonton West),
Taylor,
Telford,
Thorson,
Totzke,
Vallance,
Veniot,
Verville,
Young (Saskatoon),
Young (Weyburn).—95.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:	
Kay,	Wilson (Wentworth),
Cahill,	Clark,
Raymond,	Bell (St. Antoine),
Prévost,	Black (Yukon),
Fiset,	MacLaren,
Dussault,	Cotnam,
Lapointe,	Bennett,
Euler,	Manion,
Lacroix,	Rowe,
Hay,	Hubbs,
Gershaw,	White (London),
Fafard,	McQuarrie,
Dubuc,	Church,
Wilson (Vaudreuil),	White (Mount Royal),
Baldwin,	Johnstone,
Duff,	Smith (Cumberland),
Sylvestre,	Matthews,
Dionne,	Anderson (Halton),
Morrissy,	Hocken,
Mercier (St. Henri),	Bell (Hamilton),
Bissett,	MacDonald (Cape Breton South),
McPherson,	Macdonald (Richmond-West Cape Breton),
Pouliot,	Lennox,
Howard,	Casselman,
Bothwell,	Quinn,
Marcil,	Perley.

Sir EUGENE FISET: I was paired with the hon. member for St. John-Albert (Mr. MacLaren). Had I voted I would have voted against the amendment.

Mr. GOTT: I was paired with the hon. member for Jacques Cartier (Mr. Rheaume). Had I voted I would have voted for the amendment.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted I would have voted for the amendment.

Mr. BOTHWELL: I was paired with the junior member for Halifax (Mr. Quinn). Had I voted I should have voted against the amendment.

Mr. KAY: I was paired with the hon. member for Wentworth (Mr. Wilson). Had I voted I would have voted against the amendment.

Mr. WHITE (London): I was paired with the hon. member for Medicine Hat (Mr. Gershaw). Had I voted I would have voted for the amendment.

Mr. BENNETT: I was paired with the Minister of Justice (Mr. Lapointe). Had I voted I would have voted for the amendment.

Motion agreed to and bill read the third time and passed.

SUPPLY

The House in committee of supply, Mr. Johnston in the chair.

Mr. STEWART (Edmonton): I move that the committee rise and report progress.

Mr. GUTHRIE: What estimates shall we take up to-night?

Mr. MACKENZIE KING: Indian Affairs.

Progress reported.

At six o'clock the committee took recess.

After Recess

The committee resumed at 8 o'clock.

INDIAN AFFAIRS

Indians—Nova Scotia, $76,840.

Mr. GUTHRIE: There is a little increase here; what is the matter?

Hon. CHARLES STEWART (Superintendent General of Indian Affairs): There are two items of increase, one of $315 to provide

for the statutory increases and the other of $3,000 for medical attendance. We find that we are having considerable difficulty in satisfying the communities near these reserves, and we have to spend more money from time to time for medical attention. As my hon. friend will notice in running down the list, there are several increases which are largely for medical attention and for other things of that kind.

Item agreed to.

Indians—Prince Edward Island, $6,035.

Mr. GUTHRIE: Is this increase due to the same reason?

Mr. STEWART (Edmonton): In one case this is for relief and seed grain and in the other for medical attention, $300 additional.

Item agreed to.

Indians—Ontario and Quebec, $274,003.02.

Mr. ROSS (Kingston): There is a decrease of $12,745 here; the Indians must be more healthy in Ontario and Quebec.

Mr. STEWART (Edmonton): We are asking for an additional amount in the supplementary estimates.

Mr. GUTHRIE: This decrease of $12,745 is more apparent than real, then?

Mr. STEWART (Edmonton): Yes. We have an increase of about $19,000 for medical attention and hospitals in Ontario and an increase of $26,725 on repairs to roads, bridges, and drainage. We have a considerable increase for medical attention, but as frequently happens when the provincial highways are being built through the reserves, we have to spend a considerable amount of money to supplement the provincial vote, which is not so high this year.

Mr. PETTIT: How is that vote divided between Ontario and Quebec?

Mr. STEWART (Edmonton): There is $183,358 devoted to Ontario and $91,645 to Quebec.

Mr. ROSS (Kingston): How much is to be expended on the reservation at Deseronto?

Mr. STEWART (Edmonton): I do not know that I can give that to my hon. friend. We have not the totals for the individual reserves.

Mr. McGIBBON: If the minister has the information available, will he tell me how much money the government hold in trust for the Indians in Rama?

Mr. STEWART (Edmonton): We have not the exact figures, but it is in the neighbourhood of about $160,000 of band funds.

Mr. McGIBBON: Is that all the money?

Mr. STEWART (Edmonton): I did not know we would be asked for that, but I will get it for my hon. friend.

Item agreed to.

Indians—Manitoba, Saskatchewan, Alberta and Northwest Territories, $775,657.

Mr. ADSHEAD: Would the minister be good enough to separate these provinces?

Mr. STEWART (Edmonton): Manitoba, $192,578; Saskatchewan $280,828; Alberta $204,640; Northwest Territories $97,611.

Item agreed to.

Indians—British Columbia, $350,970.

Mr. GUTHRIE: I understand from the report that went through the other day that the $100,000 recommended by that committee is in addition to that amount?

Mr. STEWART (Edmonton): Yes, that is true. The recommendation in the report is that the government should spend on increased services for hospitals, education, and the like, an additional $100,000, which it has been suggested, will appear next year as segregated from the regular vote of the department.

Mr. GUTHRIE: That $100,000 is out of the money that belongs to the Indian band themselves?

Mr. STEWART (Edmonton): No, but it will be voted by parliament.

Item agreed to.

Indians—general, $231,500.

Mr. GUTHRIE: How is this money spent?

Mr. STEWART (Edmonton): The details are as follows:

Payments to Indians surrendering their lands under provisions of section 89 of the Indian Act, which will afterwards be repaid from the avails of the land	$ 50,000
Relief to destitute Indians and Eskimo in remote districts	100,000
To prevent the spread of tuberculosis	50,000
Printing and stationery	5,000
Grant to assist Indian Trust Fund Account 310 suppression of liquor	3,000
Surveys, Ontario, Quebec and Maritime provinces	6,000
To provide for expenses in connection with epidemic of smallpox and other diseases	10,000
To provide an amount to pay agents' fees in connection with registration of births, deaths and marriages	500
General legal expenses	7,000
Total	$231,500

Mr. FRASER: Are there any amounts for survey in British Columbia under this vote?

Mr. STEWART (Edmonton): A considerable amount of survey work is done in British Columbia in connection with the laying out and surveying of reserves.

Mr. FRASER: Does that come under this vote?

Mr. STEWART (Edmonton): No, it appears in the British Columbia vote.

Mr. McGIBBON: Is there any way in which an Indian may become enfranchised? I am asked that question by Indians very often. They would like to become fellow British subjects, and to be able to exercise the franchise.

Mr. STEWART (Edmonton): Generally the difficulty about the enfranchisement of an Indian is that when he leaves the reserve he is regarded as a white man. He takes his share of the band funds and is enfranchised; he is no longer a resident of the reserve. There is another system whereby he can be enfranchised in an allotted portion of the reserve, but that is very seldom resorted to.

Mr. BENNETT: By order in council.

Mr. STEWART (Edmonton): Yes.

Mr. McGIBBON: The band as a whole cannot be enfranchised?

Mr. STEWART (Edmonton): They can be as individuals.

Mr. McGIBBON: And still retain their property rights?

Mr. STEWART (Edmonton): Yes, if they so desire, and have their allotment on the reserve.

Mr. GUTHRIE: But they cannot vote.

Mr. EDWARDS (Frontenac): How many acres of land are there in the Caughnawaga reserve?

Mr. STEWART (Edmonton): I am told there are approximately 25,000 acres.

Mr. EDWARDS (Frontenac): Are any of the lands on that reserve leased, occupied, or operated by white men?

Mr. STEWART (Edmonton): Yes.

Mr. EDWARDS (Frontenac): To whom are the rents paid?

Mr. STEWART (Edmonton): They are paid in through the Indian agent to the band fund in all cases.

Mr. EDWARDS (Frontenac): Are any of the lands on that reserve occupied by members of this House?

Mr. STEWART (Edmonton): I am not aware of it, if there are.

Mr. EDWARDS (Frontenac): Does a gentleman by the name of Lanctot occupy any of these lands?

Mr. STEWART (Edmonton): The member? Not that I am aware of.

Mr. EDWARDS (Frontenac): I do not know that he is a member. My information was that his name was spelt the same way Roch Lanctot.

Mr. STEWART (Edmonton): We would be glad to get that information. There are a number of leases, but I have no knowledge of that name.

Mr. EDWARDS (Frontenac): I wish to ask another question, and the minister can get this information probably at his leisure. My information is—I am not giving it as correct; I am trying to find out whether or not it is correct, and I am sure the minister will wish to find out also—that parts of the land on this reserve are occupied by or leased to white men. My information, whether correct or not, is that some of these white men who have occupied these lands have for years absolutely refused to pay one cent of rent. They are years in arrears for the rental, and absolutely refuse to pay a cent. That is something which I think ought to be looked into. And since I have mentioned a name, which happens to be the same as that of a member of this House, perhaps the minister would also look into the matter and find out whether that particular gentleman, or a man of that name, does lease any land from the department, whether he is years in arrears for rent, and whether he has absolutely refused for years to pay one cent of rent.

Mr. STEWART (Edmonton): I shall be very glad to look that up.

Mr. BENNETT: I was struck with the statement made in committee the other day of the very rapid decrease in the number of Indians in British Columbia, and it led me to make certain investigations with respect to the conditions in my own province. I cannot think that the medical service given to the Indians is all that it should be, and I strongly urge the desirability of having better medical service for the Indians in Alberta. They have very valuable property which they occupy, they have substantial funds, and I feel that it is not very creditable to us that they should

be disappearing as rapidly as they are. It is not, to say the least, creditable to us that so many of them have passed away so quickly, and I refer particularly to the children and to the younger men and women. I think that a better nursing service could be established in some of the reserves in Alberta, and more frequent medical attention given. The Indian is not always amenable to our methods of medical care, but I should like to ask the minister if he would have the matter looked into, and see what can be done to improve conditions. On the Sarcee reserve there has been very considerable improvement. I will not go into the details to-night, but I cannot urge too strongly the desirability of more careful supervision and better attention being given to the Indians than they now receive.

Mr. STEWART (Edmonton): I may say for the information of the committee that in my short connection with the Indian Department I have discovered that there is a great deal of tuberculosis amongst the Indians, and we have adopted inspectional work by nurses and strengthened the medical staff. I think the work being done amongst the children will have a very beneficial effect; but undoubtedly if we are going to stamp out the plague of tuberculosis, it will require a great deal more money than we are spending on that work at the present time. However, I hope to get the service strengthened, and see if it is not possible to stamp out, in very large degree, this plague amongst the Indians of Canada.

Mr. McGIBBON: Would the minister be good enough to tell me what steps are taken to cope with this disease when it breaks out? Has the medical man authority to send them to a sanatorium?

Mr. STEWART (Edmonton): Yes.

Mr. EDWARDS (Frontenac): In regard to the reserve I mentioned a moment ago, perhaps the minister can tell us whether or not there was some trouble down there over the obstruction of a right of way which resulted in the shooting of one of the Indians?

Mr. STEWART (Edmonton): Yes, there has been a rather serious dispute, but the matter is now in the court; I do not know what the outcome will be. It threatened to be rather serious at one time.

Item agreed to.

Indian education, including the construction of school buildings, $1,990,080.

Mr. MILLAR: Is this for establishing new schools or renewing old ones, and where are they located?

[Mr. Bennett.]

Mr. STEWART (Edmonton): It includes both. We have constructed quite a number of new schools in the past five years, and have purchased some which were in a good state of repair from the church organizations. What we are trying to do in the matter of Indian education is to provide the plant for the residential schools, and the various churches are carrying on the educational work under a system of grants.

Mr. LANCTOT: I have been informed that in my absence the hon. member for Frontenac-Addington stated that I had leased lands from the Indians. Is that a fact?

Mr. EDWARDS (Frontenac): I did not say it was a fact. I was asking whether it was a fact or not. I am glad the hon. gentleman is here; he can say whether it is a fact or not.

Mr. LANCTOT: I may say to my hon. friend that I have enough land in my parish not to want to lease land from the Indians at the present time.

Mr. EDWARDS (Frontenac): I have no doubt that that is correct, but, of course, it does not answer the question whether the hon. gentleman has leased land from the Indians. He says that he does not now, but he did not say that he had not leased land from them in the past. Perhaps he might make the matter quite clear.

Mr. LANCTOT: I have never leased any land in the Caughnawaga reserve. I am sixty-one, and neither I nor my father before me have ever leased land in the Caughnawaga reserve.

Mr. EDWARDS (Frontenac): I did not make the statement that the hon. gentleman had, but I said the name given to me was exactly the same as the hon. gentleman's, and I asked the minister whether it was the member of the House. I am very glad to have the hon. gentleman's statement—

Mr. LANCTOT: It may have been some other Lanctot, no relation of mine, because none of my relations has leased land from the Indians. If there is a man by the name of Lanctot leasing land in the reserve at the present time, and I do not think there is, I cannot say who he is.

Mr. SMOKE: Is any part of the cost of construction of new school buildings on the Six Nations reserve at Tuscarora borne out of the funds held in trust for the Indians, or is the cost met out of moneys voted by parliament?

Mr. STEWART (Edmonton): They were day schools built by the funds of the band themselves on the Six Nations reserve.

Mr. SMOKE: No portion of this vote is for that purpose?

Mr. STEWART (Edmonton): No.

Mr. SMOKE: Why should not the Six Nations Indians participate in the funds this government expends in building schools for the Indians? Why are they excepted from the benefit of this vote?

Mr. STEWART (Edmonton): In a great many instances where there are day schools, they are erected by the religious organizations who are carrying on the work, sometimes out of the funds of the band, frequently assisted by the department. In the case under discussion the schools were constructed from the band funds of the Six Nations, but the usual assistance is given to the teachers such as is given to any other Indian school in Canada. But the residential schools are all constructed and paid for by the government.

Mr. SMOKE: I think there is some discrimination being shown in this matter against the Six Nations Indians. The fund which is in the hands of the government in trust for the Six Nations Indians was derived from the sale of Indian lands belonging to the Six Nations Indians. I do not think it is fair to the Six Nations Indians that the whole cost of their edcuational facilities should be borne by the band, when other Indians throughout the Dominion receive grants for education.

Mr. STEWART (Edmonton): There is really no difference between the system in vogue on the Six Nations reserve and that prevailing on many other of the reserves throughout Canada. In addition to that, the institution in Brantford called the Mohawk institute is maintained altogether by the government for the benefit of the Indians.

Mr. SMOKE: But the Mohawk institute is not on the reserve.

Mr. STEWART (Edmonton): No, and many of these residential schools are not on the reserve they are serving. The children are brought from the reserve to the school.

Mr. SMOKE: As I understand it, the department is taking care of the education of all Indians throughout the country except the Six Nations band. They happen to have been fortunate enough in the early days because of the part they took in the revolutionary war, to have had a certain section of land in western Ontario set aside for their use. Certain portions of that land were afterwards surrendered to the government in consideration of a certain sum of money. That money has been held in trust by the government for the Six Nations, except to the extent that it has been encroached upon by expenses paid out of it, and I say the Indians of the Six Nations reserve are entitled to be educated at the cost of the general public of Canada just as much as the Indians in any other portion of the Dominion.

Mr. STEWART (Edmonton): I am informed that they have never made any demand other than for the grant that is paid them. This is one of the oldest reserves, and perhaps one of the most highly civilized, and certainly one of the best cultivated reserves in Canada, and they have been pretty well taking care of themselves not only in an educational way but in an agricultural way as well. I think it is well that they should be encouraged to do so. I hope the day will come when all the Indians will be in a position to take care of themselves. As the days go by, and the effects of education are felt among the Indians there is no reason in the world why they should not take their place along with the white man and bear the same burden.

Mr. SMOKE: If, as the minister says, no complaint has been lodged hitherto, I am lodging a complaint now on behalf of the Six Nations. It is time that there was a complaint lodged. These funds have been set aside for the benefit of the Indians, and the money belongs to the Six Nations; it does not belong to this Dominion. The people on the reserve in the township of Tuscarora are paying, as I understand from the minister, the whole cost of their local education, the Mohawk institute at Brantford being maintained by a New England society formed in the old country many years ago. The Mohawk institute is not on the reserve, and I do not know to what extent the government assists in that, nor am I concerned with that at present, but I do say that if the Indians in other parts of the Dominion are educated entirely at the expense of this country the Indians of the Six Nations should to some extent at least derive assistance from the government.

Mr. EDWARDS (Frontenac): Has any application been made to the government from the Caughnawaga reserve for the building of a Protestant school in that reserve, and if so, what action, if any, has been taken?

Mr. STEWART (Edmonton): Yes, we are making arrangements for a Protestant school on this reserve.

Mr. EDWARDS (Frontenac): The minister informed me that this reservation included about 25,000 acres. Has the Indians' title to ownership of any part of that been at any time questioned, or is it being questioned now?

Mr. STEWART (Edmonton): I am not very familiar with this particular case, but I am informed by the deputy superintendent that the claim is that the title to the property rests in the province of Quebec rather than in the Dominion of Canada, for the benefit of the Indians, and we are fighting the case.

Mr. EDWARDS (Frontenac): The title goes back to 1758 or 1760?

Mr. STEWART (Edmonton): Yes, so I am told.

Mr. FRASER: Are there any appropriations in this vote for new schools in British Columbia?

Mr. STEWART (Edmonton): Yes, at Lytton.

Mr. FRASER: Is that for a new building?

Mr. STEWART (Edmonton): Yes. The old building is a frame structure entirely unsuited to the purpose.

Mr. FRASER: Will tenders be called for?

Mr. STEWART (Edmonton): Yes.

Mr. ROSS (Kingston): Will the minister give us a a list of the structures being erected and where they are?

Mr. STEWART (Edmonton): These are residential schools. In Nova Scotia we are spending $35,000 on a new school. At St. Philips, Saskatchewan, we are spending $75,000; Onion lake, $115,000 Lytton, $174,000, and Alert Bay, British Columbia, $1,950. We are renovating the school at Sydney and at Tobique at a cost of $3.000. At Spanish River we are spending $35,000. At Little Saskatchewan, Manitoba, we are spending $2,500 on teachers' residences. At Hollow Water River, Manitoba, we are spending $3,500; Split Lake, $2,000; Baie Verte, $2,000; Pointe au Pic, Quebec, $5,400; Ebb and Flow, Manitoba, $2,440; Mohawk, to erect a dairy building $600. These are the additions.

Mr. ROSS (Kingston): Is that the Mohawk reservation?

Mr. STEWART (Edmonton): Mohawk reservation.

[Mr. C. A. Stewart.]

Mr. HANSON: It is not so long ago that a new school was erected at Tobique.

Mr. STEWART (Edmonton): This is to erect a new building.

Mr. SMOKE: Is the band growing?

Mr. STEWART (Edmonton): Yes, they require more accommodation.

Mr. DICKIE: Has provision been made for the furnishing of motor cars to nurses in the district which I represent, in the district of the Saanich and the Cowichan?

Mr. STEWART (Edmonton): Yes, where it is necessary for the nurses to have a car we are furnishing it, but it comes out of the general fund.

Mr. DICKIE: Am I to understand they are to have a car this year? I know the conditions out there. They must have a car to perform efficient service.

Mr. STEWART (Edmonton): Wherever it is necessary we furnish the nurses with cars. In some cases they are asking for cars where they are hardly the best kind of conveyance for getting about.

Mr. FRASER: How do you call for the tenders for the schools?

Mr. STEWART (Edmonton): By public advertisement.

Mr. FRASER: You advertise in the public press?

Mr. STEWART (Edmonton): Yes.

Mr. CASGRAIN: I see an item for "repairs to roads and bridges and drainage" in Ontario and Quebec, $43,400. I would like to know if there are any amounts that are especially mentioned for improvements to roads in the Bersimis reserve on the north shore of the river St. Lawrence.

Mr. STEWART (Edmonton): We have an understanding with the province of Quebec that as soon as they reach this reserve we will continue the road. Our information is that they do not intend this year to build the road and we did not provide an item for it. But the moment they reach the reserve we will do it.

Mr. CASGRAIN: Have you considered the proposition of renewing the road?

Mr. STEWART (Edmonton): With regard to this particular road?

Mr. CASGRAIN: With reference to the churches connected with this reserve I remember that last year a request was made on behalf of certain authorities regarding contributions that might be offered by the govern-

ment as a contribution to these reserves. For instance at a place called Les Escoumains, which forms part of the reserve of Bersimis, some Indian bands reside in large numbers, and they want to know whether they will have a contribution for the erection of a church there on account of the fact that for nearly a generation the Indians have been loked after at that place by the church. I think I made a recommendation to the department last year in that behalf.

Mr. GEARY: Are the Indian children educated at the expense of the government?

Mr. STEWART (Edmonton): No.

Mr. GEARY: Are the children of the Mohawk reserve educated at the expense of the government, and if not, why not?

Mr. STEWART (Edmonton): My hon. friend was not in his seat when I answered a similar question put by the hon. gentleman (Mr. Smoke) who represents the constituency contiguous to the reserve. The Indians of this particular reserve have always provided the funds for the erection of their own schools and have carried on their educational system with an annual grant from the government of $2,500. This is being done in other instances as well. My hon. friend said he thought it was only reasonable that the Six Nations should be given the same amount of assistance as other bands. I have visited the reserve on several occasions and have found them a very progressive band; they carry on their own affairs very well. We spent a considerable sum of money to assist them in road building.

Mr. GEARY: Why should they be penalized?

Mr. STEWART (Edmonton): They are not penalized; they have never asked for anything more. I am informed that this has been the practice from the very inception of the reserve.

Mr. SMOKE: There is a different form of government on the Six Nations reserve to what obtains on most of the other reserves. The Six Nations Indians are allowed to lease land, but they have no actual freehold title to any portion of the reserve. I do not think it is proper that any portion of the funds belonging to the band should be appropriated for educational purposes when the Dominion government takes care of the whole of such cost for the other Indian bands.

Mr. STEWART (Edmonton): My hon. friend is not correct in stating that the government takes care of the whole cost of education on the other reserves.

Mr. SMOKE: Well, there is a large sum of money devoted to that purpose, and I do not think the Six Nations Indians are getting their share.

Mr. PETTIT: What do the items of miscellaneous and unforeseen under Nova Scotia and general expenses under Ontario and Quebec cover?

Mr. STEWART (Edmonton): The first item covers the weekly removal of refuse and garbage from the Sydney reserve and repairs to water system, $200; water rates, Sydney reserve, $200; travelling expenses and contingencies of Superintendent Boyd as well as the various agents' travelling expenses, postage and other contingencies, $6,000; removal and establishment of Indians on the new Sydney reserve, $20,000.

Mr. MacNUTT: What is the vote of $75,000 under Nova Scotia to be used for?

Mr. STEWART (Edmonton): Is my hon. friend asking in regard to the amount to be expended in Nova Scotia on the construction of buildings?

Mr. MacNUTT: Yes, where is the construction to take place?

Mr. STEWART (Edmonton): I gave a list and it will appear in Hansard to-morrow. I can repeat the details if required.

Mr. PETTIT: The hon. minister's explanation in regard to my question is satisfactory so far as it refers to Nova Scotia; but I also asked him what the item of general expenses under Ontario and Quebec covered. I do not want the details.

Mr. STEWART (Edmonton): The items my hon. friend has reference to cover the cost of management and general expenses in all the provinces.

Mr. SMOKE: How many Indians are there in Canada at the present time?

Mr. STEWART (Edmonton): There are 104,000.

Mr. SMOKE: There are between four and five thousand Indians on the reserve at Brantford,—one twenty-fifth of the whole number. Under item 282 nearly two million dollars is expended on Indian education. This sum divided by 25 would give the Indians of the Six Nations reserve $40,000 instead of $2,500 a year. Why are they receiving only the smaller sum?

Mr. STEWART (Edmonton): I cannot give my hon. friend any further answer.

Mr. BLACK (Halifax): What is the Indian population of Nova Scotia?

Mr. STEWART (Edmonton): It is 1827.

Item agreed to.

Department of the Interior
Scientific Institutions

Expenses connected with the Dominion Observatory at Ottawa, $57,900.

Expenses connected with the Dominion Astrophysical observatory at Victoria, B.C., $22,330.

To provide for a fellowship in astronomy, tenable for one year, at the Dominion observatory at Ottawa or the Dominion astrophysical observatory at Victoria, B.C. Appointments and payments may be made notwitstanding anything in the Civil Service Act or regulations thereunder, $2,500.

Mr. GUTHRIE: There is an increase of $6,000. Why?

Mr. STEWART (Edmonton): The explanation of the increase is as follows:

Statutory increases:		
1 at $30	$ 30	
1 at $45	45	
2 at $60	120	
1 at $120	120	
		$ 315
One engineering clerk	1,380	
H. P. Racicot, part time	250	
	1,630	
Less: Decrease effected in appointment of G. Pryde	$ 1,200 915	
	$ 285	
		1,345
Microphotometer		1,700
Photographic photometry: increase in maintenance and supplies		100
Seismology: increase in maintenance and supplies		200
Magnetic survey; increase in field expenses		300
Time service: equipment of clock vault, $200; primary clock, $1,350.		1,550
Wireless: increase in repairs and supplies		50
Library: books, periodicals and binding, increase		300
Various increases in general expenses: machine shop, printing publications, express charges, etc.		540
		$6,400

Mr. McGIBBON: Will the minister explain why there occurs so often in these estimates the last sentence in this vote:

Appointments and payments will be made notwithstanding anything in the Civil Service Act or regulations thereunder.

Mr. STEWART (Edmonton): This is not intended to remove any permanent appointments from the control of the Civil Service Commission.

[Mr. Smoke.]

Mr. BENNETT: But that is exactly what happens. They take a man and put him in temporarily and in that way get around the Civil Service Act.

Mr. STEWART (Edmonton): This vote is to provide for the salary of some young astronomer from abroad. The appointment will be for one year and the intention is to have the office filled alternately at Victoria and Ottawa. The selection will be made each year by the department on the recommendation of the head of the astronomical branch.

Mr. BENNETT: Why from abroad? Is this a German?

Mr. STEWART (Edmonton): We do not know yet who will be the appointee nor from what country he will come. There has been for some years a Belgian on the staff here. This is the system adopted by these men to broaden their knowledge and it is very much the same as that practised by teachers in the educational field, who exchange positions for temporary periods. The appointments are not permanent.

Mr. McGIBBON: Will the minister assure us that the appointee will not be a German?

Mr. CHAPLIN: For a number of years the minister has promised that the cost of the Topographical survey and the Geodetic survey would gradually become less, but according to the estimates they are growing every year.

Mr. STEWART (Edmonton): There has been a very considerable reduction in the staff since I have had charge of the department. I do not think my hon. friend is correct in saying there could be very much reduction in the Geodetic survey. The increase will be explained later on when we come to it.

Mr. CHAPLIN: Not one of these items shows a decrease.

Mr. ROSS (Kingston): I understand that this country is going to give a fellowship to some person outside of Canada, the only condition being that the student or graduate in astronomy will come to our observatory. No such thing was ever done before, and I think we would do better to give scholarships to our own students. It is a common occurrence to grant amounts for fellowships to enable persons to go to universities abroad, but I never heard of a fellowship to enable some person to come to Canada.

Mr. STEWART (Edmonton): The idea is not to confer some favour on the individual we are bringing from abroad, but rather to widen our own knowledge of what is taking place in other institutions outside of Canada.

Mr. ROSS (Kingston): Then the proper course is to send our young men abroad to get the information; that is the principle adopted in fellowships given by universities. I think you will have every university in Canada up in arms if they know you are bringing an astronomer here from abroad.

Mr. STEWART (Edmonton): We do send our men abroad sometimes; they are abroad too much, if you ask me.

Mr. BENNETT: Some of them are, about election time.

Mr. STEWART (Edmonton): I am not so much interested in elections as my hon. friend. I am bound to say that if it is a good idea to exchange teachers in order to broaden the knowledge which they may impart to their pupils, surely there can be no complaint when we bring in a young man from some other institution for one year.

Mr. BENNETT: Is any other country giving one of our students $2,500?

Mr. STEWART (Edmonton): I cannot say.

Mr. BENNETT: If not, let us cut out the item.

Mr. STEWART (Edmonton): The arrangements are made for this year; if it is not agreeable to parliament I will see that it ceases, but I want to say frankly that I cannot see anything wrong about it.

Mr. GEARY: Is it an instructor fellowship?

Mr. STEWART (Edmonton): The idea is simply to bring an astronomer from outside of Canada for a period of one year to work with the staffs at Ottawa and at Victoria alternately. He may be from Germany this year, from England the following year and from Australia the succeeding year, but surely hon. gentlemen opposite will not claim that Canada possesses all the knowledge of astronomy and that there is nothing to be learned from other institutions.

Mr. GUTHRIE: Do other institutions give these fellowships?

Mr. STEWART (Edmonton): I do not know.

Mr. BENNETT: These matters should be dealt with by our universities if $2,500 is to be offered some person to qualify in astronomy, which requires a knowledge of higher mathematics and the careful study of many subjects. Why should we give $2,500 to a foreigner, using the word in the broad sense, to come here and stay at Ottawa or Victoria for a year as astronomer, when we all know that $2,500 will not get a man worthy of being called an astronomer? What kind of man are you going to get for that amount? You will get a $2,500 man. The thing is wrong in principle; why should the money of the taxpayers go to pay an astronomer at $2,500, which will not secure a high class astronomer, while we lose an opportunity to offer a fellowship to a Canadian in one of our universities to go abroad and get a first-class working knowledge which we have not the facilities to give him. Isn't that the way to do it? More than that, what effect will it have upon the boys going to the universities in order to train themselves in astronomy? Should not this money go to some young man who desires to become a first-class astronomer, to permit him to go abroad and study at Greenwich or another of the great observatories? I submit the item should not pass.

Mr. McGIBBON: I think we are approaching this from the wrong end. Obviously if you bring a man here you are giving him $2,500 with which to educate himself, because it is impossible to get a man for that sum to give instruction in our institutions. He would benefit from it, I dare say, but on the other hand if you take one of our students and send him abroad, he would get the benefit of the knowledge of all the professors of that institution. I would like to impress upon the minister that we are starting at the wrong end, and I move that the item be struck out.

Mr. ROSS(Kingston): Rather than strike it out, if the minister is going to do something I would leave it there and let him go to McGill University and say, "We will give you a fellowship for one of your graduates in astronomy, to permit him to go abroad for a year and study and then come back to give us the benefit of his knowledge." Then go to Toronto and let Queen's be last, if you like. Remember our own Canadian universities, and give our students a chance to go abroad and gain this knowledge not only at one university, but in Germany this year, possibly England next year, and the United States the year after. I am not saying this for political reasons, but I am afraid that every astronomical student and professor in

Canada will be up in arms when he realizes that you are giving away this fellowship in the reverse order to that in which any other fellowship is given.

Mr. STEWART (Edmonton): I cannot speak with knowledge of what is being done with these young scientific men in the observatories, but so far as the work in the mines branch, in geological investigation and other kindred studies is concerned, we do send the staff abroad for a year or two to perfect their knowledge of their various kinds of work. I cannot say whether that is done in this case or not, but I fail to see why this should be criticized so severely. In bringing an individual from an outside institution we are bound to receive some benefit from his presence here.

Mr. BENNETT: Not a $2,500 man.

Mr. STEWART (Edmonton): That may not be the total amount the young man may receive.

Mr. BENNETT: But we have no reciprocal arrangement; if another country was doing the same thing for us, I might understand it.

Mr. STEWART (Edmonton): That may be in effect, I do not know.

Mr. McGIBBON: In that case we should pay our own man and let the other country pay their man.

Mr. STEWART (Edmonton): There may be such an exchange.

Mr. GUTHRIE: This is evidently a new departure; the item was not in the estimates last year or the year before. May I ask the minister if this is done at his own suggestion, or if it is done at the suggestion of the chief astronomer, or some other official? If a suggestion of this kind is made it is based as a rule upon the fact that there is somebody in sight for the position. Now who is the man that the minister has in view?

Mr. STEWART (Edmonton): I cannot tell.

Mr. GUTHRIE: Where are we to get him from?

Mr. STEWART (Edmonton): I cannot tell.

Mr. GUTHRIE: Where are we to get him from?

Mr. STEWART (Edmonton): I cannot give my hon. friend that information.

[Mr. A. E. Ross.]

Mr. GUTHRIE: Has the minister no plans in regard to the matter at all?

Mr. STEWART (Edmonton): No, for this reason: this is a proposal by the director himself.

Mr. GUTHRIE: Of the Astronomical survey?

Mr. STEWART (Edmonton): Yes.

Mr. GUTHRIE: No doubt the director has some man in view, or at all events some scientific institution from which such a man is to come. The committee is entitled to that information; we are entitled to know what we are doing. Therefore I should like to have these questions answered. Who is the man proposed, whence is he coming, who made the arrangement, and is it a reciprocal arrangement? Why is it introduced as a novelty?

Mr. STEWART (Edmonton): All I can say is that I should be very glad to let the item stand and get the information.

Mr. GUTHRIE: Very well, let it stand.

Mr. GEARY: Will the minister also consider the advisability of establishing a travelling scholarship in connection with one of the universities having a course in astronomy? The winner of the scholarship could travel abroad and study this science in the universities on the other side. Then he would come back to Canada with his knowledge and we could keep it here.

Item agreed to.

Topographical and aerial surveys for the development of hydro-electric forested and mineralized areas and for aerial fire patrol; expenses of Geographic Board of Canada; classification of lands for settlement and forest reserves; traverse of northern rivers and lakes for administration of Northwest Territories; surveys for administration of Dominion park and game reserves; miscellaneous legal surveys of Dominion lands; testing of standard measures and instrument repairs; plotting and printing of plans, etc., $375,000.

Mr. COOTE: I brought to the attention of the minister on Monday the position of the holder of surface rights on lands in Alberta on which drilling for oil has been carried on, and the minister promised to make a statement when the estimates were before the House. I wonder if he would care to do it under this vote?

Mr. STEWART (Edmonton): The matter was brought up at six o'clock on Monday and I did not have an opportunity of replying. The administration of the crown lands in regard to both surface rights and subsurface

rights is a rather complicated affair. On the crown lands we give free homesteads. The individual gets the lands free for living on them for six months in the course of three years, paying a fee of $10, and performing certain other obligations. He then gets the ownership title in fee simple to the surface rights. Up to 1887 the base mineral rights went with the crown lands. In that year the system was changed and the mineral rights were retained for the crown and sold and subsequently leased to anyone making application for them. I want to say that as regards doing injury to the surface every precaution is taken to protect the owner of the surface rights. He cannot, of course, prevent mining operations upon the land by the individual who takes the lease, but his interest is protected and, of course, he has the same right as any other individual to file on the mineral rights if he desires to do so. My hon. friend pointed out that he does not always know when applications are being made, or when a certain district is liable to produce minerals, he does not know perhaps until the rights are gone. But in our own province, with one or two exceptions, I have not heard of any very serious hardship. I would be prepared to say at once that I would go the full length of protecting the owner of the surface rights, but as we only collect now the royalties between 2½ and 5 per cent, there is not very much hope of giving anything to the owner of the surface rights in the way of royalties. In the period of seven or eight years in which I have been dealing with the leasing of lands, both surface and under-surface, particularly in the search for oil, there have been millions and millions of dollars expended, not uselessly but in development work to locate oil. The locating of oil is a pretty expensive proposition at best, and as my hon. friend knows there are only two localities in the province of Alberta that give promise of being oil fields at the present. One is very close to his own home in the Turner valley. An immense amount of money has been spent in attempts to obtain oil and gas in the province of Alberta. The securing of gas has been fairly successful, but it cannot be said that the securing of oil, considering the amount of money that has been spent upon it, has been entirely successful. So far as I am concerned I am willing to enact regulations that will give full protection to the owner of the surface rights, and if he suffers injury as my hon. friend has pointed out on account of the odour arising from the natural gas, that flows from these wells, assuredly in the event of any injury being done to his land he should secure full compensation for the same. If the regulations are not sufficiently wide to do that, I would be quite prepared to make them wide enough to cover any injury of that character.

Mr. COOTE: I am very glad that the minister is sympathetic enough to say that he will change the regulations to protect these men. May I point out to him that all that is necessary to secure these men is simply to make a change in the regulations? It is possibly true that not a great many people are as yet affected by this matter which I have brought to the minister's attention, but I do think there is no doubt that in the years to come hundreds of thousands of acres of land are going to be filed on for oil leases, and this trouble is going to grow all the time. No doubt there will be in the future many cases of hardship just in line with the one I pointed out the other day. I do not think it will hinder the development of the oil fields of Alberta if a change were made requiring 5 per cent royalty to be paid to the owner of the surface rights. On the Stony Indian reserve, quite close to the Turner valley, the holder of an oil lease must pay 10 per cent royalty to the Indian department out of all the oil that he gets, as well as pay a dollar a year per acre rental. Now that is not stopping development on the Stony reserve because I am told there are several wells being drilled there. I cannot see how 5 per cent royalty for the owner of the surface rights would hold up development of lands outside of the reserve. Some of these oil wells are great wealth producers. The Royalite well is, I am informed, producing annually to the value of one and a quarter millions; it is one of the greatest wealth producing wells in the world. It is true that the others are not quite as large producers, but they are giving handsome returns to the companies that have drilled the wells. I do not want to delay the minister's estimates at all but I should like him to give very careful consideration to this matter. I am sure that the owners of the surface rights are entitled to more protection than they are getting to-day, and I think the most satisfactory manner of protecting them would be to give them a small royalty of five per cent. That is a very small royalty. Most of the men who secured these leases are speculators who came in between the government and the oil companies, and they are the ones who are getting a royalty in almost every case. I think it would be much better to have a small royalty go to the holder of the surface rights, and less go to the speculator who comes in between the government and the oil companies that do the drilling.

Mr. CHAPLIN: Who owns the oil under the land in the province of Ontario?

Mr. STEWART (Edmonton): I am speaking only of federal crown lands.

Mr. CHAPLIN: The question I was coming to was this: If the people in Ontario who own the land and got it from the government also own the oil, why should not the same apply to the people in the northwest? Why should the government retain the oil for themselves out there? It seems to me an absurdity. The people who own the land are entitled to the oil. I am quite content to leave the metals to the crown, because they belong to the crown, but the oil should belong to the people who own the land.

Mr. STEWART (Edmonton): The Hudson's Bay Company when they sold their rights to Canada reserved in the area which the company retained, the base metals, which, of course, include oil. The Canadian Pacific Railway got large tracts of land to assist in the building of their railway and they own the oil rights. Up until 1898 the homesteader who homesteaded these lands owned the base metals under his lands.

Mr. BENNETT: Until 1887.

Mr. CHAPLIN: In Ontario the Canada Land Company—

Mr. STEWART (Edmonton): If my hon. friend will sit down and calm himself I will give him an answer.

Mr. CHAPLIN: If you will only come to an answer.

Mr. STEWART (Edmonton): I will come to it at once. I still think if we are to have oil development in the northwest and in the Northwest Territories some assistance will have to be given, and it has been given, to encourage development work for the purpose of discovering oil. I am free to say that very little has been done by the government in that respect, but if these oil rights were owned by the individuals owning the land I am bound to think that development would be retarded to a very great degree.

Mr. CHAPLIN: No.

Mr. STEWART (Edmonton): Then we differ, but that is my opinion, and I have been dealing with this matter for five years.

Mr. CHAPLIN: The minister may have full information on the subject, but how do they do in the United States? Is there any lack of development there? The people who develop oil take leases from the owners of the land. We have the development of gas and oil in Ontario, and I can tell the minister that in Ontario the oil fields do not pay nearly as well as those in the northwest. The wells are much shallower in Ontario, and they are not as good producers. Out west when you get a well, you get something, but with us it is different. In Pennsylvania, right opposite from Ontario, the oil goes with the land. There is no doubt about that, and it should go with it.

Mr. COOTE: I do not want to delay the committee but I would point out that in the state of Montana right across the line from us there is far more oil development than there is in Alberta. There is a reason for that. Most of the wells in Montana are much shallower than those in Alberta. I do not think it would have retarded development if the owners of the land had been given the oil along with the surface rights. I do not think that at this time we can give the oil to the owners of the land, because in so many cases where the oil has been withheld from the owner of the surface rights, it has been leased by the government to speculators or to the oil companies. Under the regulations now in force an oil company can hold thousands of acres under lease by just drilling one well, and the amount they spend in drilling can be credited up against the rent they owe the government on account of the lease.

Mr. STEWART (Edmonton): Only in the development stage, only until they strike oil.

Mr. COOTE: I think if the owners had been given the oil rights these oil companies would have gone in and made an agreement with a number of farmers or owners of land in a certain district until they had got all the oil leases they wanted. That is the way it is done in the United States, on a straight royalty basis, and as a rule the men in a certain neighbourhood are willing to sign up with the company on a royalty of probably ten per cent. The company then know just what they must pay to secure the oil, but under our system the government leaves it largely in the hands of the company to say what royalty they will pay, and they can change it from time to time. I would ask the minister how many acres a company may hold and how far apart the different leases may be that a company acquires and controls simply by the drilling of one well.

Mr. STEWART (Edmonton): I have not the regulations with me, but the most they are credited with is only 50 per cent of the cost of the development work. to be applied

against the rental. There have been amalgamations of leases, but one individual is entitled to hold only 1,920 acres. I have forgotten the restricted area to which the leases are limited, but it is not a very large area.

Mr. COOTE: To interest the rest of the committee in this case, I might say that the Hudsons' Bay Company and the Canadian Pacific Railway Company were granted all the mineral rights in connection with their lands, except as regards gold and silver. I hope the committee will see what an unfair position the rest of us were placed in, because we were given only the surface rights, while these two great corporations get the surface rights and everything underneath as far down as they care to go. I do not think we have used our pioneers fairly, and all I am asking is, not that you give them the mineral rights underneath the land, but that you say when any company or owner or lessee of the mineral rights is going to go in and drill, the owner of the land shall be given a royalty of five per cent; that is only one-twentieth of the oil that might be found, and if no oil is found the holders of the lease will not be required to pay anything. If, on the other hand, they secure a good well, the owner of the surface rights gets a royalty of five per cent. It is true that most of these men when they got their patent did not know that the oil rights were being withheld from them, and some of them are anxious to fight the case in the courts, because they hold that oil is not a mineral. I am not a lawyer and would hesitate to express an opinion on that point, but the Department of the Interior could easily settle the dissatisfaction that exists out there by giving these men a royalty of say five per cent.

Mr. BENNETT: The hon. member from Macleod labours under a misapprehension with respect to part of the situation. When the lands in the west were homesteaded, the original patents issued by the crown conveyed to the patentee all the oil, all the gas, and all the minerals under the land except gold, silver and copper. The grants to the railways also conveyed to them all the minerals under the land except the precious metals. The land grant to the Canadian Pacific Railway Company carried with it oil and gas rights, and the rights to other minerals except the precious metals. The grant to the Calgary and Edmonton Railway Company also carried with it all the minerals except the precious metals. It was thought by the government of the day between 1896 and 1911 that there was good reason for contesting the right of the Calgary and Edmonton Railway Company to the mines and minerals under the land. Litigation followed. The case went to the Privy Council and it was decided that the railway company had the right to the mines and minerals; that included oil and the natural gas. When the Hudson's Bay Company, whose patents also gave them mines and minerals, except precious metals, sold lands; when the Canadian Pacific Railway sold lands; when the Calgary and Edmonton Railway Company sold lands, they reserved to themselves the mines and minerals, the coal, the oil, the natural gas, but not, however, the gold and silver, which still belong to the crown. In 1887 a regulation was passed following a statute by which thereafter the crown reserved in all patents the mines and minerals. The pioneers have patents that convey to them the oil and natural gas. Such patents the minister encounters every day. Hence it is that we find in one part of Alberta a man who owns a quarter-section owning the natural gas and the oil, because his right to the patent accrued before the change in the law. What happens now is that the whole of southern Alberta is blanketed by leases issued by the crown conveying to the lessee the right to the oil and natural gas, and in some instances the coal beneath the surface of lands which have been patented with these reservations. It seems strange, but the fact is that the railway companies are receiving substantial sums of money from royalties on oil and natural gas, and this country, within the next few years, if the oil development in Alberta is worth anything near as much as is probable, will be receiving not less than $1,000,000 for royalties. This parliament forgets that. The reservation made in favour of the crown in right of the Dominion, which will one day pass to the provinces when they obtain their natural resources, will bring in a million dollars a year if the development is anything like it is expected to be. The difficulties referred to by my hon. friend from Macleod are real ones. They arise out of the past legislation. The minister can do nothing now for the obvious reason that leases are outstanding blanketing the whole territory from almost the northern part of Alberta to the boundary line, and those leases carry with them a rental, but that rental may be absorbed to the extent of fifty per cent if the owner of the lease will go upon the land and drill for oil. The minister is not entirely responsible for that regulation. It was almost the last act done, I think, by the government of 1921.

Oil drilling operations were being carried on in Alberta, and a revolving credit was established in order that there might be some measure of development in that province, and the cost of the development to the extent of fifty per cent thereof was applied to payment of rentals to the crown. Those who did not develop lost their leases, and those who did develop paid rentals by work. Over four millions have been spent by one company in development in Alberta. That expenditure has produced nothing in the way of results, except at the Royalite well which has been profitable. That position is well known to all of us who reside in Alberta. The efforts the government made might have been made in another way by expending public money in development, but instead of spending public money they expressed a willingness that fifty per cent of the money expended by oil operations should go to pay rent, thereby ensuring that over given areas holes were to be sunk to ascertain whether a profitable oil field can be developed in that province. Up to the present there is no conclusive evidence that we have a commercial oil area in Alberta. In Montana south of Alberta they have the Sunburst field, but the structure apparently does not extend north of the forty-ninth parallel, and up to this moment we have no substantial quantities of crude oil in that locality. We have crude naphtha, which has been extracted from natural gas, but we have not been able to secure any quantity of petroleum. We have one place in that district where the well produces about fifty barrels of crude oil per day. It is not the class of crude oil they are seeking, but it is an indication that there may be an oil pool under the surface. One well is a mile deep. Another well went down five thousand feet, and they have not secured results that warrant the assumption that they will be able to find oil at less than four thousand feet. The minister is powerless to break the outstanding leases. He could not pay a royalty to the farmer who owns the surface. When he bought his land his contract did not give to him subsurface rights to oil and gas. He has a right under his contract with the railway or under his patent to demand a reasonable compensataion for the surface used and occupied in sinking an oil well, but the operator is not subject to the caprice of the owner in that regard. If the land owner and operator do not agree upon the amount to be paid it is settled by arbitration. It is natural that when natural gas is found beneath a homestead the homesteader should expect to receive some benefit from it, but when he looks at his patent he finds he is only entitled to the surface subject to the right of the

[Mr. Bennett.]

crown or company or lessee to the subsurface rights, and the government or company will receive the royalties if gas or oil is found there. The oil leases up to 1930 do not provide for the payment to the crown of a royalty. The right to seek for and to discover oil and market it without payment of royalty was supposed to be an incentive to carry on such operations. But after 1930 royalty is payable, which royalty, with respect to natural gas and naphtha in the case of one of the railways, already amounts to approximately $90,000 per annum. If operations are successful the money the province will obtain in the way of royalties, will compensate the province of Alberta when they secure their rights for the loss sustained by the pioneers and owners of the surface by reason of their not being the owners of the subsurface rights. But this advantage is more apparent than real until they succeed in discovering oil. Until that time there is no benefit. But when 1930 is reached, and the resources pass to the province of Alberta, that province in a very short time will be receiving as a minimum, outside of taxes—and the taxes are considerable—at least a million in a year as royalties, which will mount to five million a year or more if the developments materialize as we hope.

I do not know how the minister can deal with the situation. I have had occasion to look into the matter many times, I quite agree with my hon. friend from Macleod, but there is no method other than for the government to compensate those who have obtained leases in good faith for the losses they have sustained by reason of being placed in the position they occupy. But there is no reason to adopt that course, because the government is holding these resources as trustees, as one day they will pass to the western provinces. There will be no change in respect of that. It will be the crown in the right of the province rather than the crown in the right of the Dominion. We all hope that that day may be not long distant, even though it may result in depriving the Minister of the Interior of any work in his department.

Mr. SPENCER: The hon. member stated that there is only one oil field in southern Alberta. Surely he does not claim that there is no oil in the Wainwright field?

Mr. BENNETT: I am glad my friend from Battle River has made that observation. From the standpoint of commercial success there is not yet a producing oil field in Alberta, but there has been a very valuable natural gas field, the most valuable except one in the world, and crude naphtha has been successfully abstracted in very profitable quantities

from the original Royalite well in the Turner valley. According to reports that appear in the newspapers from time to time the yield represents a value of about a million dollars a year. Outside of that, every person who has put any money in oil has experienced not dividends but losses. As to what my hon. friend from Lincoln says, the question is entirely different in Ontario from what it is in our territory. My friend from Macleod put the issue very clearly when he said that it is contended that perhaps oil is not a mineral. I will merely put it to my friend in the way it was put by a very eminent judge not long since. All substances taken from the soil must be animal, mineral or vegetable; oil is neither a vegetable nor an animal substance; therefore it must be a mineral. In those few short sentences that eminent judge in an older civilization than this dismissed the claim that oil is not a mineral. I cannot add anything to his observation.

Mr. COOTE: I should like to make it clear that I am not objecting to the policy the department has adopted of allowing development work to apply on rentals due under a lease, but I would say that the holder of such lease so far as I can see has no right to the surface except under regulations which are made by the crown—the Department of the Interior in this case.

Mr. BENNETT: In the patent issued to the owner of the soil the reservation is made that it is subject to a grant being made by the crown to any lessee to enable him to mine minerals owned by the crown. That is the basis of the whole matter.

Mr. COOTE: Admitting that that is so, I still hold that the terms upon which he can enter on the land must be determined by the regulations—made by the Minister of the Interior. All I am asking is that the minister should insert in the regulations a condition that the compensation to be given to the owner of the surface rights shall be a royalty of five per cent on any oil or gas taken from the property. It seems to me there is nothing impossible about it. It is the most feasible way of giving the owner of the surface rights some equitable protection.

Mr. BENNETT: There is no doubt that it might be done, but it could not be done with respect to existing leases.

Mr. COOTE: The longer the matter is neglected the more difficult it will be to deal with it.

Mr. ADSHEAD: In 1914 when we first had the oil craze in Alberta a number of companies were floated, but since then nothing has been heard of them. Since the new oil boom started a number of shareholders in those old companies have tried to get information from the department as to what happened to the leases they held, how they were transferred, and so on. On behalf of a large number of such shareholders I applied to the department for information regarding certain affidavits that had been made for transfers of leases, as we had good reason to believe that those affidavits were not true, but the department would not give us any information.

Mr. STEWART (Edmonton): I do not understand why my hon. friend should not get full information. In all probability the leases were cancelled, but he should have been furnished with the fullest information.

Mr. ADSHEAD: Let me give the minister an instance. The regulations require that the head office of the company shall be in His Majesty's dominions; and at one time all the directors were required to be British subjects, but this requirement has since been changed. Now, somebody made an affidavit that the head office of a certain company was in His Majesty's dominions, when as a matter of fact it was not. We tried to find out who made the affidavit, but the department refused to give us any information.

Mr. STEWART (Edmonton): I know of no reason for withholding such information. If my hon. friend still desires to get it I will see that it is furnished to him.

Mr. WARD: Mr. Chairman, Alberta is not the only place on the face of the earth where there are oil fields to-day. Probably the most active oil prospect in western Canada at the present time is in the district of Grand View in Manitoba. Last summer an American oil prospector located in that district, shipped in a drilling outfit, and is supposed to have discovered oil. The greater portion of the district was originally homestead lands. A short time ago a very small area there changed hands for $132,000. I think this shows that the suggestion of the member for Macleod should be given very serious consideration. Oil promoters from Winnipeg and other points come in and buy up leases at fifty cents an acre and sell them to an oil company at a greatly enhanced price, while the original owners of the land get no royalties whatever upon any oil that may be found under their property. They are not even given an opportunity of leasing the land that they have been farming for the last thirty years. Upon my word, I cannot un-

derstand the reasoning of the member for West Calgary. Why cannot this parliament enact a law requiring any oil promoter to pay to those owning the surface rights a royalty on any oil that may be produced? I am not a lawyer, but my common sense makes me believe that this parliament could pass a law to that effect. Morally I think it should be done. I hope the minister will give this matter his very serious consideration.

Mr. GARDINER: Two or three years ago I brought the question of the transfer of oil leases to the attention of the minister. In the city of Calgary to-day he will find oil leases being peddled on the street and advertised for sale. Is it the practice of the department to allow these speculative ventures to proceed when transfers are asked for? Perhaps the minister will explain how the transfers are made.

Mr. STEWART (Edmonton): It was about the year 1922 that certain changes were made in the regulations by which a lessee might transfer a divided portion of his location. Formerly there could be no transference except for the whole of the lease of 1920 acres, but in order to encourage the small investor to take advantage of his opportunity, and not to shut him out altogether and create a monopoly for the rich companies, we made the reduction. As hon. gentlemen will know, many of the small companies were made up of stockholders of quite limited means.

Mr. BENNETT: Many of them with five or ten dollars.

Mr. STEWART (Edmonton): I do not know about that. At any rate we tried to enable the small investor to coöperate with others and so reap some advantage. Otherwise there would be no development except by the large companies who would entirely exclude the small men. There is of course the other evil of investors taking leases and waiting for other people to do the developing. Altogether it is a difficult matter to devise regulations that will cure all evils. The plea put up to me was that the regulations shut out the small men altogether. They were squeezed out and eventually lost their money, and it was to help them that we cut down the lease and allowed its transference in the event of all rentals having been paid up beforehand. That explains why the leases were allowed to be subdivided. It is useless to begin sinking a well with less than $30,000 or $40,000.

Mr. GARDINER: What is the maximum acreage which anyone is allowed to hold.

[Mr. Ward.]

Mr. STEWART (Edmonton): I am not sure. A number of the companies sometimes get together and drill one well, then apply 50 per cent of the amount expended on the well in the payment of rentals for the whole of the property.

Mr. GARDINER: The government should not allow speculators to get control of a lease merely to wait until someone desires to obtain it and then proceed to develop the property.

Mr. STEWART (Edmonton): There are development clauses in the regulations.

Mr. GARDINER: I do not know of anything that discourages development more than the speculator who waits for somebody to come and purchase the lease. The department should be more active in looking after this phase of the business. In Calgary to-day you will find dozens of oil leases advertised in store windows and in the newspapers. These leases can be secured for a consideration. Speculation has been the curse of the west and the department is not doing anything to relieve the situation. Not very far from where I live a certain company a few years ago drilled two or three wells, and in order that they might get hold of a large block of leases they usually got returned men in Calgary or Edmonton, to whom they gave the necessary funds, to secure the leases which were afterwards transferred back to the company. They gave $10 for the time the returned men spent securing the leases. In the particular area I have in mind the company had carried on a certain amount of development work, but for some mysterious reason they ceased drilling and instead capped their wells.

Mr. STEWART (Edmonton): What company?

Mr. GARDINER: It was in the Monitor field. The committee would like to know what is in these wells. After a certain amount of development has taken place, and before the companies are allowed to cap the wells, the department should ascertain what is in them. Knowledge is what is needed in this matter and I suggest that some steps be taken to find out what the wells contain. I do not want to deprive any company of the fruits of its labour, but at the same time any knowledge derived as the result of the granting of a lease from the crown should be regarded as the property of the department.

Mr. STEWART (Edmonton): We have full authority in the case of crown lands to make an examination, and we have a staff in Calgary kept doing that work; but we are prohibited from entering private lands.

Item agreed to.

Salaries and expenses connected with the administration of the territories, including the erection of buildings, investigation work, schools, relief to destitutes, maintenance of prisoners and insane patients, administration of the North West Game Act and the Wood Buffalo park, etc..	$190,000
Exporations—salaries and contingencies, equipment and supplies, etc.. ..	75,000
	$265,000

Mr. KENNEDY: What success are you having with the buffalo park?

Mr. STEWART (Edmonton): That comes under Dominion lands and parks.

Item agreed to.

Dominion Lands and Parks, salaries, contingencie, etc., $4,080,022.

Mr. KENNEDY: Last year and previous years Mr. Kitto was sent to the Peace river country to carry out a certain investigation. Does that work come under this item?

Mr. STEWART (Edmonton): He is in the Natural Resources Intelligence service. His work consists in the making of investigations of natural resources.

Mr. KENNEDY: I understand that he has made an investigation of a large section of the Peace river country but there is still a considerable area right across from Fort St. John in British Columbia to Fort Vermilion, Alberta, that has not yet been examined by anyone in the service of the government. I think it important that that district be investigated, and I was wondering if the minister would undertake to see that someone makes an inspection of that territory in order that we may know what is there.

Mr. STEWART (Edmonton): We are always trying to keep ahead of settlement, as well as we can. The staff is limited, but we intend to investigate that whole territory wherever there is a prospect of settlement, and that will probably be continued from year to year.

Mr. SPENCER: Under this item could the minister give me the total amount of revenue and expenditure in connection with the buffalo park at Wainwright?

Mr. STEWART (Edmonton): I will have to get the Superintendent of Parks to secure that information.

Mr. COOTE: While the minister is looking that up I wonder if he could tell me whether the aerial forest patrol at High River is to be continued?

Mr. STEWART (Edmonton): There is an increase in the vote for the aerial patrol for forestry and survey services, but I do not think that is in this particular vote.

Mr. COOTE: I see there is a vote here of $1,293,500, which includes the protection of forest reserves, and I was wondering if any provision is made under that for the High River patrol this year?

Mr. ADSHEAD: Is not the air patrol under the Department of National Defence?

Mr. STEWART (Edmonton): Yes, the planes are under that department, but we have an arrangement whereby they do flying for the Department of the Interior for forest patrol work and aerial survey work.

Mr. ADSHEAD: Is not that included in the vote of the Department of National Defence?

Mr. STEWART (Edmonton): They have a vote in the Defence department in connection with this work, but we are also increasing our vote to some extent for services for which we must provide. I might say that the station at High River will be continued.

Mr. ADSHEAD: There is a very large item under the Department of National Defence for work done for other government departments.

Mr. STEWART (Edmonton): They go on trips for the payment of treaty money for Indians; they fly for forest patrol work and for fire protection work; that is, the Department of National Defence supply the aviator and aeroplane and the cost of the operation of the plane is charged to the vote to which my hon. friend has referred. But in addition to that we have men employed in our own department, particularly in the surveys branch. This is all arranged by a committee representing all the departments interested; some of this aerial work is done in Quebec by private corporations, for which we pay outright. It is a little difficult to explain the exact amount entailed in these works.

Mr. KENNEDY: Are aeroplanes being used in northern Alberta in connection with forest patrol work?

Mr. STEWART (Edmonton): I have an item in the supplementaries for the aerial survey of the new buffalo park, in order that we may be sure of the boundaries, to keep settlers from getting into that area.

Mr. KENNEDY: How does the aerial survey compare in cost and efficiency with the old methods?

Mr. STEWART (Edmonton): It is very much cheaper for topographical survey work.

Mr. ROSS (Kingston): Are there aeroplanes belonging to this department?

Mr. STEWART (Edmonton): No. Of course on occasions we hire commercial planes.

Mr. ROSS (Kingston): I understood we were to have two separate services.

Mr. STEWART (Edmonton): We abandoned that some years ago, and we now have a committee headed by Colonel Biggar to allocate the work. We must know before the season starts the number of flying days we can depend upon from the Department of National Defence.

Mr. ROSS (Kingston): I understood there were to be two air services, civil and service.

Mr. STEWART (Edmonton): It is all the one service, although the items are divided, some for civil work and some for defence.

Mr. ROSS (Kingston): I understood we were promised that there would be the two services.

Mr. KENNEDY: There is a question in my mind regarding the land selected by the Hudson's Bay Company in the Peace river country. Under the deed of surrender the fertile belt in which the Hudson's Bay Company were to select land is described as being bounded on the south by the United States boundary, on the west by the Rocky mountains, on the north by the northern branch of the Saskatchewan river and on the east by lake Winnipeg, the lake of the Woods and connecting waters. There seems to be a great deal of dissatisfaction in the Peace river country because the Hudson's Bay Company have been allowed to select land wherever they chose. In the fertile belt, as defined in the deed of surrender they took certain sections throughout the surveyed area. In Peace river they were allowed to select what they wanted and they took a quarter section here and a quarter section there wherever the land appealed to them. It is also felt that it was not right to allow them to go north of the Saskatchewan river, because of the boundaries set out in the deed of surrender. I would like to hear what the minister has to say in this regard.

Mr. STEWART (Edmonton): In the settlement of the claim of the Hudson's Bay Company, we did not care to have them go into our parks or our Indian reserves, which they had a perfect right to do under the deed of surrender, and in making arrangements with them we had to have some latitude in order to effect a settlement of that character. I had trouble, for example, in the Rocky Mountain park at Banff in the adjustment of one claim, where the Hudson's Bay Company had sold the property, in order to get settlers out of the park. Now they have surrendered their rights within the park boundaries and on Indian reserves, and in addition have surrendered their right to a very considerable acreage in the three prairie provinces. The Hudson's Bay Company took crown lands in lieu of the lands given up in these reserves I have mentioned. Some resentment is felt if they happen to take the land in a block, it must be remembered that they have the right to select from what was known as the fertile belt in the three prairie provinces. I am bound to say that I think we made a very favourable settlement with them.

Mr. KENNEDY: The acreage surrendered is scattered over the three prairie provinces?

Mr. STEWART (Edmonton): Yes.

Mr. KENNEDY: Was the acreage they were given the privilege of selecting in the fertile belt equal acre for acre to what they surrendered in the park?

Mr. STEWART (Edmonton): Yes, practically so.

Mr. KENNEDY: What portion of land did they surrender in Alberta?

Mr. STEWART (Edmonton): I have not the figures with me but I shall be glad to bring them down.

Mr. KENNEDY: Have they selected any lands in Saskatchewan and Manitoba?

Mr. STEWART (Edmonton): Yes, I think in all three of the prairie provinces, but they have not completed the selection yet.

Mr. KENNEDY: I wish to register a formal protest on behalf of the people in the district affected. We all know what it means to settlers to have lands selected in this way by these companies. It means a tremendous burden upon the people who are developing

a particular part of that country in connection with roads and so on. I cannot understand why the surrender should have been made in the way it was, and why the northern limits of the area should have been extended north for 150 miles or more to please the Hudson's Bay Company. The problem of developing a new country is a serious one, and the difficulties in the way will be aggravated, so far as the pioneers who are carrying on development work are concerned, by the selection of lands in this manner.

Item agreed to.

Dominion lands and parks, $71,000.

Mr. BRADY: Is there any intention of doing anything towards the Mackenzie park in the Bella Coola district, and making it into a national park?

Mr. STEWART (Edmonton): I am informed that we have not yet secured possession of that land. The matter is now the subject of negotiation with the provincial government, and we cannot do anything until the land is secured.

Mr. BRADY: My reason for asking the question is this: a great number of inquiries have been made regarding Mackenzie park, and this year a direct descendant of Sir Alexander Mackenzie came all the way from Johannesburg, South Africa, in order that he might see the place where the great explorer came across the continent. I thought the Minister of the Interior, realizing the importance of that splendid area for a national park, might consider that the time was fairly ripe to establish another of these splendid national parks for the benefit of the people of Canada.

Item agreed to.

Mr. STEWART (Edmonton): May I have passed the item that was allowed to stand? It will clean up my estimates. I will get the information desired with respect to the astronomer provided for in the $2,500 vote.

Mr. McGIBBON: I think that the principle is so absolutely wrong that we should oppose it. Boiled down it means that the Dominion of Canada is going to pay the cost of a post-graduate course for some student in France, Germany or some other country.

Mr. STEWART (Edmonton): Rather than have the other items stand, I would prefer to cut that particular item out altogether, because it is a very small one among the total number, and wait a year. Unless some arrangement is made, I can assure the committee this money shall not be spent; it will take a full year to ascertain whether or not there is an exchange available. I do not want my estimates to stand over for the sake of this one small item. At any rate I will give the assurance that the money, in the absence of some arrangement, will not be spent this year.

Mr. ROSS (Kingston): I would take it that there was need of education along astronomical lines, and if the need is so urgent, why not take the course we suggest and appoint one of our own young Canadians to this position, rather than send overseas for a man? I am surprised that the Minister of Labour is not taking issue with the minister for trying to induce someone from outside to come here and take a position when the same work can be done by our own young people. Astronomy is a subject that has not been very much encouraged in Canada, and this is one way in which we could encourage it. There is no question but what you can get the man in Canada. I would point out that Canada has produced one of the ablest astronomical professors now in the United States, Professor Mitchell, of Columbia University. He is a Canadian graduate, and I think he is recognized as one of the big men in astronomy in the United States to-day. Why not train more of our own men along the same lines?

Mr. STEWART (Edmonton): It is a matter that would have to be given consideration, and rather than delay the committee I am willing to strike out the item.

Mr. ROSS (Kingston): Then the minister must admit that there was no great urgency for the work.

Mr. STEWART (Edmonton): It is not that at all. I have tried to explain to the committee for half an hour that it was good business to do this, but there are certain hon. gentlemen who do not think so. It will not wreck the service to deny us the right to employ a foreign astronomer, and I am willing to strike out the item of $2,500.

Mr. MACKENZIE KING: I move, Mr Chairman, to strike out the item of $2,500.

Motion agreed to.

Item as amended agreed to.

EXTERNAL AFFAIRS

External Affairs—salaries, including secretary to Prime Minister, $8,000, notwithstanding anything in the Civil Service Act, $103,655; contingencies, $30,500.

Mr. McGIBBON: This is another one of those items that we were complaining of a little while ago, where the Civil Service Act is being disregarded. I think we ought to have some explanation.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The item to which I think my hon. friend refers is a new item, "Secretary to Prime Minister, $8,000, notwithstanding anything contained in the Civil Service Act." I gather that there is a misunderstanding as to the precise nature of the position as described in this estimate, and I am going to ask the committee to allow me to substitute the words "executive assistant" for the word "secretary." The impression has gone abroad that what is desired in the office of the Prime Minister is an additional private secretary. It is nothing of the kind. What I am asking the committee to vote is a sum for an executive assistant to the Prime Minister.

May I explain to the committee that the Prime Minister is the only minister of the crown who has no deputy minister. When he takes office as matters stand he goes into an empty room so far as staff is concerned, and from that time on, in the office of prime minister, he has no assistance other than that of private secretaries. That arrangement may have worked in the past, by a process of combination with other departments of the government but the work of the office of prime minister has grown to such an extent, that in the public interest it is imperative that the office be organized on a business basis just as other departments of the government are organized. What is required is a business manager to coördinate and supervise the work.

At the present time may I say that in addition to holding the office of Prime Minister I am filling the office of President of the Privy Council, and also the office of Secretary of State for External Affairs. In the latter part of Sir Robert Borden's days those positions were held by other gentlemen with separate portfolios in the cabinet. In addition to the executive duties of those offices, the Prime Minister has, as the House well knows, a very special responsibility to parliament. He is supposed to keep track of the business in the House and to be acquainted with the different questions that come up for discussion. He is the leader of his party and he has also the same responsibility as every other member of the House has as the representative of a constituency. I think members will readily understand that if the public business is to be carried on satisfactorily, any individual who has as many concerns to have regard for in the course of one day as the Prime Minister has, needs someone who can relieve him to some extent of the work incidental to his office, and who will be in a position to deal, at least in part, with individuals in the Prime Minister's name.

[Mr. McGibbon.]

In addition to the executive work of the office and the work of the session in parliament, with which hon. members are familiar, there are other obligations falling upon the Prime Minister which occupy a great deal of time. I might mention, first of all, the relations with the Governor General. The Prime Minister represents the government and parliament in relations with His Excellency. These relations are of a personal character, and properly discharged, they take up a certain amount of time. There are the relations with the representatives of foreign countries, the personal relations with consuls general representing their countries in a quasi-diplomatic way, and the impersonal relations carried on by correspondence through the External Affairs department and which involve keeping abreast of events in different parts of the world. Very shortly a minister will be appointed to Ottawa as the representative of the United States. He will expect to have personal interviews with the Prime Minister, particularly if the Prime Minister is holding the position of Secretary of State for External Affairs. I understand that in all probability Great Britain will appoint a representative to Canada in a similar capacity, someone who will be in the position of a high commissioner to the Dominion, who will expect more in the way of opportunity of personal contact with the Prime Minister than with other ministers of the crown.

As members of the House know, the Prime Minister is expected to be prepared to take part in the name of the country in numerous public events and upon ceremonial occasions of which I need not make mention, all of this regardless of the fact that he has from day to day without cessation a very heavy official and personal correspondence, has endless personal interviews and is supposed to give time and thought to the shaping of public policies. Since the office has reached these proportions it would seem that if the work is to be satisfactorily done the Prime Minister must be given some officer of high standing, someone well qualified to fill a position which will correspond to that of deputy minister in the other departments of the government. I do not think that official should be appointed by the Civil Service Commission. I think he should be appointed by the Prime Minister himself.

Mr. GUTHRIE: I have only this to say, Mr. Chairman, in regard to this vote, and particularly in regard to the $8,000 item to which the Prime Minister has referred, that with the explanation which the House has received to-night I have no serious objection

to take to the item. But as it was placed before the House when the estimates were first brought down the general impression was that this position was in the nature of a glorified secretaryship; it was to be a private secretary with a salary of $8,000. That was the impression in the House, and certainly the impression that prevailed throughout the country, because I have seen a good many newspaper comments upon the proposal. I remember that in former governments the office of Prime Minister was held by one person, that of President of the Privy Council by another, and that office of Minister of External Affairs by another. There was a deputy minister in the External Affairs department. There was the equivalent of a deputy minister in the department of the president of the Privy Council, and I think the office of the Prime Minister was equipped with four private secretaries. That, I believe, is the equipment of the establishment to-day in regard to private secretaries, but the appointment now sought is not that of a private secretary, but rather a position corresponding more to that of a deputy minister. I think under all the circumstances, and considering the present Prime Minister is practically looking after three departments, we might let this item pass. However, this comment might be made in reference to certain estimates, in almost all departments; there is an evasion of the Civil Service Act. In the supplementary estimates I have ticked off five or six more instances of it. Are we to pay no regard to the Civil Service Act in this parliament? The other night we considered the estimates of the Department of Customs. We voted hundreds of thousands of dollars for the appointment of supervisors, appraisers and the like, and took those appointments out of the operation of the Civil Service Act. In all the special appointments we make we manage in some way to evade the provisions of that act. In this particular instance I do not think serious exception can be taken, because I think it is the right of the Prime Minister to appoint his own confidential secretary. But in regard to the new appointments in the civil service which in effect are made in the estimates we are now considering, time after time we find the phrase, "notwithstanding anything in the Civil Service Act", which simply means that those who have qualified for civil service appointments and are now upon the waiting list and have been patiently waiting for a long time are simply turned aside in case after case by this government through the insertion in the estimates of the words "notwithstanding anything in the Civil Service Act." Some special political favourite of the government is put in the service, notwithstanding the provisions of the Civil Service Act. It is neither fair nor right. However, in this particular instance I think there is propriety in the suggestion that the Prime Minister should choose his own assistant.

Mr. CAHAN: Is the confidential assistant who is to be appointed under this appropriation supposed to retire when the office of prime minister changes? I quite appreciate the fact that the Prime Minister has very pressing duties. He performs also the duties of Secretary of State for External Affairs, and President of the Privy Council, which are too extensive and varied for any one man to carry out, without capable assistance. But if the person to be appointed is to occupy a confidential position, if he is to be a confidential executive of the minister with the status of a deputy minister, it seems to me that this very fact carries with it the other presumption that he will not be presumed to have any right to continue in office when the Prime Minister vacates, if he ever does, his present position.

Mr. MACKENZIE KING: I would say certainly that should it be the wish of the successor of one prime minister to appoint someone other than the official the previous prime minister has had as confidential assistant and executive, he should have that right. But I would draw the attention of the House to this circumstances, which I think is deserving of note; that in England the Prime Minister has found it very much to his advantage to have as his chief assistant one who has served in the same capacity to his predecessors—not only one such chief assistant but two. It is becoming increasingly the practice in England, even in the Prime Minister's office, to retain the services of those who become accustomed to the special duties pertaining to particular offices. I shall mention a name which will be well known to members of this House, that of Sir Maurice Hankey. Sir Maurice acted, one might say, in a confidential way, as executive to the cabinet of Great Britain during the period of the war. He was with Mr. Bonar Law, he was with Mr. Ramsay MacDonald, he is with Mr. Baldwin at present, and I have no doubt if another Prime Minister comes in his services will be retained.

Mr. BENNETT: He is secretary of the cabinet.

Mr. MACKENZIE KING: That is more or less the position that is required here. Sir Maurice receives $15,000 a year, and Mr. Thomas

Jones, his assistant, receives $11,000 a year. Mr. Tom Jones has been assistant secretary to three or four prime ministers in succession. These two chief assistants are in addition to other private secretaries, six in all, which the prime minister of Great Britain has, as well as the permanent staff of his office. I wish to say however with regard to the present position that it should be understood that whoever is appointed will retire with the prime minister unless his successor wishes to retain him.

Mr. CAHAN: I have noticed that prime ministers who have had confidential private secretaries generally expect them to be appointed to some other office in the civil service, if one is available, after leaving the office of the Prime Minister, and a good deal is to be said in favour of that. But the relations are so close between the retiring Prime Minister and his confidential secretary that often it might not seem expedient to continue the same person in office, and I thought we ought to have a declaration from the Prime Minister in regard to that.

Mr. BENNETT: I had thought possibly the situation the Prime Minister referred to might have been met in another way and thus overcome the difficulty of imposing, not to use the word offensively, a permanent official upon the country at an expense of $8,000 per annum. I thought perhaps he might have followed the course that was tried, not without some favourable result, in days gone by, of the Prime Minister appointing some member of the House to act as his executive assistant, without his being subject to an election, but retiring with the administration. He would thus be able not only to discharge his duties to the Prime Minister as his executive assistant, but he might be able to make statements for the Prime Minister, who, while he cannot always be in his place in the House and follow every piece of legislation, should be informed from a confidential source as to what is going on in the House from day to day.

Mr. CAHAN: By his secretary I suppose.

Mr. BENNETT: Yes. For instance, the parliamentary secretary in England very frequently has served the Prime Minister without compensation. Sir Philip Sassoon acted for Mr. Lloyd George, without any salary of course. In a country such as this it does seem to me that it may offer an opportunity to well qualified, ambitious young men to get an excellent knowledge of parliamentary practice and procedure while serving a very useful purpose, not being in the cabinet but acting as confidential secretary and adviser or representative of the Prime Minister. I quite agree that the Prime Minister cannot be here —and he should be in this House—and carry on the miscellaneous duties that attach to his office while parliament is in session. But it did occur to me that my suggestion might meet the situation better than to appoint a permanent official at $8,000 who probably would pay into the superannuation fund and would thereby acquire certain rights, and then would expect possibly to be retained by the succeeding administration or to find some other position in the public service, which could not well be done having regard to the salary paid. I only offer the suggestion to the Prime Minister because I do agree that in a country such as this, which is entirely different from an old and more settled land, the Prime Minister must always be available for almost every citizen who desires to present grievances or suggestions to him for consideration, and he must have some buffer between him and the public. But that buffer might well be able to come into the House and discharge very important duties without being a member of the cabinet, and yet carry practically cabinet responsibilities with respect to the Prime Minister.

I think my right hon. friend overlooked the fact that we had several under-secretaries during the war. Between 1911 and the breaking out of the war Sir Robert Borden discharged the duties of President of the Council, Minister of External Affairs and Prime Minister. The Department of External Affairs was at that time in charge of Sir Joseph Pope. Sir Robert had no deputy as Prime Minister, nor had he as President of the Council, except to the extent that the clerk of the privy council then discharged, and still discharges, more or less confidential duties with respect to the Prime Minister. He is a permanent official and retains his place notwithstanding changes of administration. The same may be said with regard to the deputy head of external affairs. Since these two are continuing officials, it might be regarded as somewhat unfair to impose upon the country—using the word not in any offensive sense—a third official whose salary would become a permanent charge upon our revenue unless at the very threshold of his employment it is clearly stated that he is being paid the salary of a deputy minister with the understanding that he retires with the administration. No doubt if a place were found for him in parliament and he could discharge the duties that the members of the cabinet are too busy to discharge in many instances it would be all the better. Because it will be remembered that Sir George Mur-

ray, who came out here at the request of Sir Robert Borden, made a special report upon the matter, and he suggested that these under-secretaries might serve very usefully in the organization of the Canadian administration. It was tried during the war, as I have said, but I am not sure that it was the success Sir George Murray hoped it would be. I still think with respect to the office of the Prime Minister the experiment might be made. I quite concur that the office of the Prime Minister is very difficult and that every possible assistance that its incumbent desires should be made available in order that the duties and obligations and responsibilities of his high position may be discharged in a manner creditable equally to himself and the country he serves.

Item as amended agreed to.

High Commissioner's office—salaries, including High Commissioner, additional to salary authorized by chapter 15, R.S.C., $2,000—$42,840.

Mr. BENNETT: The High Commissioner's office in Great Britain is being regarded by a great many people as the office of an ambassador. It is thought by others that it should be regarded as a trade office and serve a useful purpose. Recently a friend of mine who is interested in these matters has made a rather extensive survey of the London offices of the various dominions. I am going to read it because I think our people should have a clear understanding of what the Canadian High Commissioner's office in London now means compared with the offices of the other dominions, and what it should mean to us. Australia is first considered:

Australia

If the object of the dominions over seas having offices in London is to attract settlers and capital to their several countries, in addition to maintaining relations with the government departments of the old country, then it would seem to a visitor to London that Australia has learnt the art of publicity to perfection.

Australia House, situated at the east end of the Strand, is a magnificent building, admirably suited for its purpose. In its spacious area it houses two Australian banks and the Orient Line's office, besides providing an office for each Australian state. The visitor enters a splendid hall, paved with Australian marble, in which he will find set out to the best advantage, the various products of the country, some of them well known, and others not so familiar. The walls are decorated with beautiful dioramic views of Australian life, reminding one of those exhibited in various pavilions at Wembley.

Among the products displayed are wool, cotton, butter, cheese, jams, honey, canned and dried fruit, and in the season fresh fruit. When Australian apples arrive a big poster outside tells the passer by that inside the building is a display of his fruit—leather goods, wines, tortoise shell, mother of pearl, grain and cereal manufactured goods, various nuts and beans, tobacco, soap, chocolate, eucalyptus. So artistic is the display that naturally there is a daily stream of visitors, though the number is not as large as the officials would like. Another great attraction is the cinema show descriptive of Australian life, industries and scenery, which is kept going from ten-thirty to five every day.

All these attractions weigh with a man who wishes to migrate and does not know to which country to go. On the same floor is a spacious emigration office where information is readily obtainable. The windows looking on the street, both in the Strand and in Aldwych, of the banks as well as of the High Commissioner's office, are filled with coloured pictures of agricultural life in Australia or of other scenes, such as the harbour at Sydney.

There is nothing of its kind in London to be compared with Australia House, which is in itself the finest advertisement for the commonwealth. The High Commissioner for Australia seems to be always well chosen, a man of affairs, who never neglects an opportunity of putting Australia well to the front.

Some of the Australian states have their own display of exhibits in separate buildings. Thus, Victoria, which occupies a wing on the western side of Australia House—which by the way was built before Australia House—has a capital show of exhibits in its window in the Strand, and in those round the corner on the western face of the building. In one of these buildings is a model, beautifully erected, of an irrigated farm, with a printed description and a label inviting the passer-by to go inside and make inquiries. In other windows are dried fruit (raisins, currants, sultanas and apricots), canned fruits, honey, wines and other goods, with cards which indicate where these goods can be bought and their prices. One of these windows is made the more attractive by having a stuffed koala (Australian tree bear) and a cub in a tree. Inside the office the ground floor is devoted to more detailed products. Here are samples of cereal, flax, oils of various kinds, fruits, wool, minerals, including gold bearing quartz, timber, etc. On the walls are attractive pictures.

Western Australia has its office at the corner of the Strand and Savoy Hill, with windows in both streets. One of the windows is peculiarly attractive as it represents a little known industry, viz; the pearl fishing. Beautiful specimens of mother of pearl are shown, and in the centre is a life size figure of a diver to show how the product is obtained. In another window are samples of wool and of rugs, etc., made from the product. In the second window in Savoy Hill are samples of Western Australian timber. Inside the office are to be seen wool, wheat, various kinds of hard wood, gold and other minerals, butter and fresh fruits in their season.

The offices of the Queensland are situated further west on the right hand or north side of the Strand. The window was devoted at the time of writing to the various timbers produced by the state. It should be said that these windows of the various overseas government offices afford the finest publicity. Their con-

tents are constantly changed, and always there little knots of people stopping to look at the exhibits.

Inside the Queensland office the whole of the ground floor, with the exception of an enquiry counter, is devoted to an excellent display of products. Very interesting are the tropical products, such as cotton, sugar and such fruits as oranges, grape fruit, mangoes, custard apples, bananas, pineapples, parsimmons, breadfruit, figs, passion fruit and papaws. Then too, one finds samples of wool, wines, turtles (edible and from the shell only), beautiful furs of wallaroo, kangaroo, opossum and rabbit, ostrich feathers, large ornamental shells, wood and woodware, sisal hemp, butter, canned goods, cigars, etc. Mention should be made too of a magnificent piece of Queensland cedar—many settlers houses are built and roofed with this wood—and a fine slab of Kauri pine. There are also specimens of minerals, canned goods and jams, fish, coral, edible turtle and two tortoise shell turtles.

New Zealand

The High Commissioner for New Zealand has his offices close to that of Queensland in the Strand. There are two large windows, the contents of which are frequently changed and always attract the passer-by. There is not a minute in the day that does not bring its half-dozen people who stop to look at the exhibits. New Zealand claims to be the empire's dairy farm, and so just now one of the windows is given up to a display of butter, cheese, Ceslin "Glaxo" and other dried milk made in the Dominion.

In the other window are some charming coloured pictures set out to attract the tourist and the sportsmen. New Zealand's position as a butter exporter rivals that of Denmark, while in cheese she is rapidly coming to the front. Inside the office on the left is an enquiry office, and on the right a lounge for visitors. On the first floor again there is a visitor's room and library. There is no produce in the hall, the windows being considered sufficient for this kind of advertisement. Sometimes the windows are devoted to mutton and lamb, of which more is sent to this country by New Zealand than by any other country. The wood, kauri gum, minerals, hemp and other products come in turn.

The New Zealand publicity officials send exhibits all over the country to bazaars or for Empire Shopping weeks. Then they have no fewer than twenty films of produce shown in various places every day. The Dominion also encourages children at school to write for a book on New Zealand, and in this way it sends out to the children's private addresses as many as 240 books a day. It also distributes as many as 4,000 photographs to schools. Just now, when the Duke and Duchess of York are visiting the Dominion New Zealand is getting a large amount of publicity in the press free.

South Africa

The Union of South Africa occupies the position on the east side of Trafalgar Square for many years occupied by Morley's Hotel. The display of fruit in the lower windows is always extremely well done. Apricots, nectarines, peaches, grapes, plums, pears, all follow in their season. Just now two of the lower windows are devoted to ostrich feathers. On the door are the words "Exhibition open to the Public," and inside in a comparatively small space is an interesting exhibition of New Zealand products.

[Mr. Bennett.]

As one enters one notices a stuffed spring bok, which dainty, graceful animal is the emblem of the Union. The exhibits include ostrich feathers of which South Africa supplies 85 per cent of the world's requirements, merino sheep and samples of their wool, an Angora goat, and articles manufactures of mohair (motor rugs, etc.), a stuffed seal, and a dressed skin, cases of grain of all kinds, wines, china clay, asbestos, mica, talc and other minerals, tobacco, fertilizers, manufactured cereals, jute, representation of gold ingots showing the output of the miners in one day, cotton, raw and manufactured, whale oil, a huge piece of leather, being the whole hide of an African bullock.

The attendant explains that their larger exhibits are in the South African gallery at the Imperial Institute. Would-be settlers are attended to just inside the main entrance to the building.

Southern Rhodesia

The High Commissioner for Southern Rhodesia has his office in Aldwych. The building is small but the display of products is effective. In the windows are exhibits of asbestos, chrome mica, tobacco, beans and sunflower seeds, maize and other cereals, and there are large printed notices reminding one that in southern Rhodesia "taxation is light and good land is cheap". Inside the office there is a small but well arranged show room, where one finds specimens of minerals, including coal, timber, cereals, gold, etc. All the furniture of the office is made of native wood.

The migration office is on the ground floor, and on the counter will be found literature in abundance dealing with the country and its conditions, and the new advantages offered to settlers.

Newfoundland

Newfoundland's High Commissioner is housed in Victoria street almost at the top of the building. The office has no display of products. It seems to exist not so much to encourage settlers as to manage the Dominion's business with this country, and for the convenience of visitors.

Colonies and dependencies like British Guiana, the Federated Malay States and the Gold have also offices in London, and they have windows showing products.

Finally we come to Canada.

Canada

The contrast between the Canadian Building in Trafalgar Square and say, Australia House, is surprising. It would seem that the Canadian conception of what a High Commissioner's office should be is totally different from the ideas of Australia, New Zealand and South Africa. The Canadian Building has the word "Canada" carved over the doorway, and flies the Canadian flag from the roof, but otherwise the passer-by would think he was passing a club or some institution, for there is nothing else to tell one that it is the Canadian government office.

Inside the building the contrast is even greater, for there is no kind of display of Canadian produce. The visitor is impressed with gorgeousness, not to say gaudiness of the

building, which seems to smack of ostentation rather than of business. No pictures of Canada meet the eye, nothing in the nature of propaganda.

On either side as one enters the building are spaces devoted to reading and writing accommodation for visitors, and there is not much room when the visitors are many. Passing through columns with gilded tops one finds a small counter with inconspicuous labels stating that emigrants may enquire at the counter. On the left is the general enquiry office with one man in charge. Further on is a large open space, with about twenty clerks at tables. If you wish to enquire about any particular matter, you are conducted into this large hall where there are no divisions keeping one department apart from the others—an uncomfortable arrangement.

The emigration staff proper which you would expect to find on the ground floor is up on the second floor, where officials and clerks are very crowded together. Here again, with the exception of the Director of Emigration and his assistant director, officials are herded together, and it is rather disconcerting to find yourself discussing business with one official while someone else within earshot is doing the same with another. When a handful of emigrants are also being examined in another corner of the room it may be imagined how unsuited the accommodation is to the work that has to be done.

Much attention seems to have been paid to appearance. All the old furniture from the former office was scrapped and the new building was expensively furnished with mahogany. On the staircase (marble) are expensive carpets, and the floors of the offices are similarly covered. In corners one finds little cabinets ornamental and expensive, but serving no useful purpose. The enquiry man needed a row of pigeon holes for visitors' letters, and he was provided with a fifty guinea cabinet. The whole building seems to be intended for show, and not for use. For publicity purposes its value is nothing. It is surprising that any emigrant dares to enter such a gilt and gingerbread palace. Can one wonder that Canadians come to London and say that Australia is miles ahead of Canada in publicity? Yet one feels sure that Canada's building and office cost more to maintain than does Australia House. And when one reflects what a magnificent display of natural resources and produce might be made by Canada one feels an opportunity has been lost.

Then follows the report regarding the Canadian agents general of Ontario, Quebec and Nova Scotia, and the Canadian railway offices:

The Canadian Agents General

The Canadian agents general are doing much to bring their provinces into notice. Mr. F. A. Pauline, the Agent General for British Columbia, has a fine building and only occupies one floor, letting the rest of the building, so that the representation of the province can cost but little. Mr. Pauline has earned the good opinion of Canadians in London for his efforts to keep his province to the front.

Ontario's Agent General, Mr. Wm. C. Noxon, has his office in the Strand, where he has a whole building. It has a window on the Strand, always attractive with displays of raw and manufactured products, and Mr. Noxon has brought the office to a high state of efficiency; his efforts to secure settlers have been highly successful.

Quebec, which is represented in London by Dr. L. J. Lemieux, has an office in Kingsway with two large windows full of a variety of Quebec products, and inside there is a display of minerals, cereals, etc.

Nova Scotia occupies a house in Spring Gardens. Mr. John Howard, the agent general, is the doyen of Canadian agents general. He is highly thought of in his province.

The Canadian Railway Offices

The absence of any display of produce at the Canadian building is to some extent made up for by the Canadian railways, which have offices nearby on the opposite side of the road. The Canadian Pacific Railway's windows are always attractive and are never allowed to remain unchanged for any time. They make a fine advertisement for the Dominion.

A couple of hundred yards away are the offices of the Canadian National Railways, who also have two large windows for display of Canadian produce and propaganda of various kinds. When the "£2 Rate to Canada" scheme came into being, it was the railways that did the advertising of it. The Canadian building had not either inside or outside any notice of this attractive appeal to settlers.

Canadian visitors who grumbled at the poor publicity Canada obtains in London were recently further disappointed to find that Canada did not participate in the Empire Marketing Board's section of dominion and colonial exhibits at the British Industries Fair, or at the Ideal Home Exhibition. The Imperial government, when it established the Empire Marketing Board to promote the empire sale of produce in the old country, voted a million pounds to the board to be spent in furthering this purpose, and the refusal of Canada to participate seems ungracious in the extreme, and very disappointing. Someone has blundered!

Mr. MACKENZIE KING: Will my hon. friend tell us who the author of the communication is?

Mr. BENNETT: I said I had the memorandum prepared and I do not propose to name the author. He was purely an independent observer of the situation and what I have read represents the impression created on a casual onlooker.

Mr. MACKENZIE KING: My hon. friend will be the first to agree with me that when documents are quoted in the House authority means everything.

Mr. BENNETT: I am assuming the responsibility for it.

Mr. MACKENZIE KING: But my hon. friend is not prepared to say who wrote the document?

Mr. BENNETT: No, but I assume the responsibility for it because I made a personal investigation with relation to a part of the memorandum the last time I was in London and I made up my mind that I should like to have in writing a commentary on conditions as seen by a casual observer. I will leave it to the Prime Minister himself to say whether his own observation does not confirm the correctness of every statement I have read to-night.

Mr. MACKENZIE KING: On the contrary I was never more surprised, because in a conversation I had with my hon. friend on his return from England I found him most enthusiastic about the Canadian building and the High Commissioner, so much so that when he rose to read to-night I thought he was about to pronounce a eulogy upon both.

Mr. BENNETT: The Prime Minister is quite right, and before I conclude I shall have something to say in that regard. What I am asking, however, is whether or not we should maintain in London an ambassador's office or a business office. The Canadian building is admirably located. It is a magnificent structure, beautifully built and quite appropriately furnished, and I desire here and now to pay tribute to the generous, disinterested patriotism of the High Commissioner. He has spent his own money with lavish freedom on the building, which he has partly furnished at his own expense. On the walls he has placed almost priceless works of art. Altogether, in my judgment, he discharges the duties of his office in an excellent manner, and. it will be interesting to note, he has purchased at 94 Lancaster Gate a splendid residence upon which he has spent thousands of pounds. It is a house which is in every way dignified and eminently worthy of the finest traditions of the country in which it stands. The hospitality which the High Commissioner dispenses is nothing short of princely, and no munificence could surpass the extent to which he has expended his own money and the willingness he has displayed in going to any pains in the world to assist his fellow citizens from Canada in obtaining such information as they may at any time be in need of. All that I freely concede.

But that is not the point I am trying to make. The question is whether or not we should maintain in London, side by side, if need be, with an ambassador's office, an office in which business considerations alone will prevail. I certainly desire to supplement my own observations with what I have just read from an altogether different source, which proves the soundness of the view I hold, that we have not been taking advantage from the business standpoint of the situation as it exists in London. That office does not display our products nor does it assist in propaganda work. Within the last four months an Englishman coming to this country from London made this observation: "I cannot conceive any immigrant going to these magnificent offices, because there is nothing that would attract him or induce him to believe that Canada was the sort of place to which one might migrate. On the other hand, if you go down the Strand a short distance you will find in Australia House the conditions that will appeal to the visitor." If any hon. gentleman has visited Australia House, as the Minister of Immigration (Mr. Forke) doubtless will at no distant date, he will find that building a speaking monument of propaganda. From moving pictures which are shown from morning till night, to the marble floor and the various products scattered around one, there are evidences of what Australia is capable of doing. The same may be said in relation to Ontario, in lesser degree with respect to Quebec, and to some extent regarding Nova Scotia. But the Dominion as a whole, apart from what the railways are doing, carries on in the magnificent property which we own in Trafalgar Square no propaganda work calculated to induce people to come and settle in Canada. It may be that the policy of the government is opposed to such inaction, but the present condition should not be allowed to continue. I had intended referring to this matter at the last session had an opportunity arisen, but I found it impossible. I do suggest, however, that we endeavour to treat this splendid property in London as a home for business administration and not the home of the Canadian ambassador. And I do not use that word in any offensive sense. I desire to place on record my appreciation of the services of the High Commissioner, but I do point out that we are not getting results from the standpoint of having people settle in this country, by maintaining Canada House in its present condition. I will leave it to the Minister of Immigration, when he goes to London, to see if there is a single word over-stated in what I have said or in this memorandum, and to consider if it is not time a change was made and that magnificent site used for the greater advertisement of this country. It does advertise Canada, but that advertisement is not calculated to attract people; it is an advertisement of our pride, our seeming wealth and our gorgeousness, but it is not an advertisement calculated to invite

people who desire to go on the land and make for themselves a home while developing the resources of this country. I have brought this to the attention of the government because of my conviction that the time has arrived when we must determine whether we will use that site and the money we have invested for the purpose of business and propaganda, or whether we will use it as the dignified and very magnificent residence of a Canadian ambassador to the centre of the empire. That is the position I desire to bring to the attention of the government and the Prime Minister.

Mr. CAHAN: If the Prime Minister has no intention of replying to the remarks of the hon. member for West Calgary, I would suggest that this is an opportune occasion for the Prime Minister to state the intention of his government with respect to the appointment of a diplomatic agent in London, or the conferring upon the Canadian High Commissioner in London of diplomatic duties and responsibilities. That has been suggested by the public press of this country and of England, and I think rather acquiesced in by the Prime Minister in one of his statements to this House in connection with the report of the Imperial conference. It has also been stated that at an early date the government of Great Britain are likely to send a diplomatic representative to Ottawa, and the suggestion was made that Canada was likely to assume new or closer diplomatic relations with the government of Great Britain through its agent or representative in London. I would like to know whether it is the intention of the government to grant semi-ambassadorial powers to the Canadian High Commissioner in London, or whether his duties will be restricted to matters of trade and commerce and another agent appointed to assume the duties and responsibilties of the diplomatic office which I understand is to be created.

Mr. MACKENZIE KING: I did not mean to avoid replying to the hon. member for West Calgary; as a matter of fact with much of what he said I am in agreement. I believe we should be doing very much more in London in the way of publicity with respect to Canadian produce and products; in the advertisement of our resources and the like. In that connection hon. members will find in the supplementary estimates now before the House an item of $100,000 to supplement the British scheme for marketing empire produce, which was placed in the estimates in the hope that this parliament would vote a sum of money which will enable the High Commissioner and those associated with him to do more in the way of developing that side of his work, particularly in association with the Minister of Trade and Commerce. The Minister of Trade and Commerce and the Minister of Immigration will be leaving for London after parliament prorogues to discuss with the High Commissioner just how, with respect to trade and immigration, the office over which he presides can be made to serve more effectively the purposes which we in Canada desire it to serve, and which in large part have been outlined by the hon. member for West Calgary.

Referring more particularly to what was said by the hon. member for St. Lawrence-St. George, I would point out that the position of High Commissioner has been from the outset in part diplomatic and in part commercial, at the very outset more commercial than diplomatic perhaps. As the years have gone by the number of questions of a quasidiplomatic character arising between the mother country and our Dominion have very largely increased. Most of our real problems those which have caused the most concern and occupied the most of the time of ministers and officials, are those which have arisen directly or indirectly out of the war; the business of government departments has been increased many-fold, particularly with respect to overseas questions, as a consequence of the problems which have grown out of the war and which did not exist to any extent prior thereto. With the growth of Canada and the equality of status we have been discussing of late, there has developed more and more a tendency on the part of our respective governments to deal with each other through personal representation rather than exclusively by despatches; I think all governments have found that in the long run it saves a great deal of misunderstanding if a government can communicate with its own agent, have that agent interview the other government and report back. Where communications are left entirely to written despatches, very frequently these despatches are drawn as much for the purpose of concealing as of revealing what it is most desirous to have expressed.

Mr. CAHAN: I have noticed that sometimes.

Mr. MACKENZIE KING: Yes, my hon. friend has noticed that. The position of High Commissioner in London to-day is materially different from what it was a few years ago; what it was prior to the war. During the war the position developed more and more on the diplomatic side and the High Commis-

sioner came to have personal contact with the ministers of the crown in England, which he had not had previously. To-day the British government gladly concedes to our High Commissioner the right to call upon any minister of the crown and interview him in regard to departmental matters of concern to our country without first going through the formality of being accredited by the Secretary of State for Dominion Affairs. As a consequence the position of High Commissioner has become increasingly significant as a diplomatic post, and within the empire between Canada and Great Britain his position does correspond to the position an ambassador would hold between nations. He has also the other equally important position as the representative of our country or the agent of our government in the supervision of all our activities in Great Britain, related amongst others those to commerce and immigration. I may add that to the splendid services rendered Canada and the Empire by our High Commissioner, the Hon. Mr. Larkin, this higher recognition has been increasingly due. Mr. Larkin has helped to make the position what it is. I do not know whether I have answered my hon. friend's question, but I have tried to indicate the development which has taken place.

Mr. CAHAN: What is the status of the present High Commissioner in London as compared with the minister representing Mexico at London, say, or the ministers representing South American states such as Chile, Peru, or Patagonia?

Mr. MACKENZIE KING: That all depends on whether my hon. friend has in mind such matters as precedence at ceremonial occasions, or whether he has in mind the substantial relationships between governments.

Mr. CAHAN: Social relations count for so much in London.

Mr. MACKENZIE KING: They count for a good deal. The British government have recognized that, and they have given the high commissioners of the British dominions a position of great prominence in the table of precedence. My recollection, speaking offhand, is that the high commisisoners of the dominions take precedence immediately after the members of the Privy Council in Great Britain. That procedure has been adopted within the last year or two, and with the distinct object of giving a higher recognition to the office of high commissioner. I believe the British government hope to give increasingly to the high commissioners of the several dominions that recognition which, in the eyes of the world, will cause them to appear in the light of ambassadors, which in fact they are, though naturally within the empire itself we do not use the term "ambassador" in speaking of the representative from one dominion to the mother country but rather hold to the term "representative."

Mr. GUTHRIE: Getting down from principles to details, may I ask my right hon. friend a question? I see the details of this vote are set out on page 78 of the main estimates. I should like to inquire in what capacity Colonel Reid Hyde is employed at the High Commissioner's office in London.

Mr. MACKENZIE KING: The work of the High Commissioner's office falls into two divisions, the one having immediate relation to the government departments in England and having more or less to do with diplomatic relations, and the other having to do with the business and commercial relations of the office. Mr. Pacaud, who is in the high commissioner's office, is more directly concerned with those questions that relate primarily to diplomacy. Colonel Reid Hyde is identified with business and commercial questions. He has not been permanently appointed. He has been retained on a per diem basis, but the intention is to engage him permanently.

Mr. GUTHRIE: What allowance does he get per diem for the services he is rendering?

Mr. MACKENZIE KING: Seven pounds a day when employed.

Mr. GUTHRIE: And has his employment been fairly continuous for the last two years?

Mr. MACKENZIE KING: I am informed that last year he was paid $4,000.

Mr. GUTHRIE: All told?

Mr. MACKENZIE KING: Yes.

Mr. GUTHRIE: And he is on the commercial side of the embassy, or legation, or whatever we call it?

Mr. MACKENZIE KING: He has had largely to do with some of the financial transactions we have had to consider, that is, matters affecting the treasury.

Mr. BENNETT: Reparations.

Mr. MACKENZIE KING: And the settlement of financial claims.

Mr. GUTHRIE: Is Colonel Reid Hyde a Canadian?

Mr. MACKENZIE KING: He comes from Montreal.

Mr. McGIBBON: What is the total cost of the High Commissioner's office?

Mr. MACKENZIE KING: The total cost last year was $120,000, but that does not include any outlay for the building that was purchased in the country's right.

Mr. GUTHRIE: And the annual allowance which the High Commissioner receives for living or house is $5,000, I believe?

Mr. MACKENZIE KING: That is right.

Item agreed to.

To provide for representation at Washington, including salaries and allowances for minister plenipotentiary, secretaries and staff, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments, $130,000.

Mr. GUTHRIE: "To provide for representation at Washington, including salaries and allowances for minister plenipotentiary, secretaries and staff," and again "notwithstanding anything to the contrary in the Civil Service Act." May I ask what the salary of the Canadian minister is?

Mr. MACKENZIE KING: The government is giving to the Canadian minister at Washington the same salary that has been paid to our representative in Paris, Hon. Philippe Roy, $12,000 a year. The High Commissioner in London will have the same salary.

Mr. GUTHRIE: Are there any allowances in addition to the $12,000?

Mr. MACKENZIE KING: An allowance for house and representation, for rent of building, entertainment and the like. I may say to my hon. friend, by way of explanation at the outset, that when this estimate was originally prepared it was prepared on the assumption that the government would rent quarters at Washington for offices, and also rent a residence for the minister. We have gone very carefully into what this will involve in comparison with the owning of a building, which will provide offices for the legation combined with a residence as well, that being the customary method of housing a legation in Washington, and if later the committee adopt the item which appears in the supplementary estimate to enable us to purchase a building, I shall be glad to assure hon. members that we will be able to lessen by $30,000 a year the amount asked for under this vote for the legation at Washington.

Mr. CHURCH: My opinion of the Canadian ambassador at Washington is that he is nothing but a figurehead, and the government will have to take the responsibility for an expenditure which I am sure the country will not approve of. If I am the only member of the House of Commons to vote against this item, I propose to do so, and if I can find a seconder I will move that the item be reduced to one dollar.

Mr. CAHAN: Is it understood that in discussing the vote in the supplementary estimates for $500,000 the committee will be at liberty to consider at the same time the items making up this appropriation of $130,000.

Mr. MACKENZIE KING: I had thought it would be advantageous if we were to consider the item in the supplementary estimates at the same time we were considering the item for the legation. I am quite agreeable to take that item up immediately if the committee wishes, and to discuss in connection with it anything relating to the legation.

Mr. CAHAN: I suggest that it will be convenient to discuss both items together.

Mr. MACKENZIE KING: This item might be passed, and then we could take up the item in the supplementary estimates with the understanding that we could discuss in connection with it anything relating to the legation.

Mr. GUTHRIE: This item, Mr. Chairman, must be considered in connection with item No. 467 in the supplementary estimates for 1927-28, which is to provide $500,000 for the purchase of land, building, equipment and furnishings for the Canadian Legation at Washington. In order to express my views in regard to the matter as concisely as possible I propose to move that item No. 467 of the supplementary estimates of 1927-28 be reduced by the sum of $475,000. That would leave $25,000 in the vote, which amount in my estimation ought to be sufficient to provide office and house room for the gentleman who occupies the position of Canadian minister at Washington.

I believe that I am not going beyond the mark, Mr. Chairman, when I say that the announcement of the government that a sum of $500,000 would be appropriated for this purpose was a shock to the people of this country. I judge that from press notices which have appeared since this item became public. The question is this: Why does Canada need a property of this kind and of this cost in the city of Washington? Why should we expend half a million dollars of the hard-earned money of the taxpayers of this country to equip what

will prove to be more or less of an ornamental establishment in a foreign capital? We realize that this embassy has been established at Washington, and I believe we are all in agreement that suitable quarters should be secured for our representative there, but why should not suitable quarters be secured at a rental of from $20,000 to $25,000 per annum? Our representative in London, Mr. Larkin, is in a position of as great importance as will be our minister at Washington. For our representative at the capital of our empire we provide the modest allowance of $5,000 for living expenses, and we give him—and we only gave it within the last year or year and a half—a suitable building. Until about a year and a half ago the High Commissioner for Canada in London was accommodated in the capital of the empire in very humble offices, but offices which were sufficient for the purpose and cost this country no very extravagant sum of money.

We know what conditions will exist in the city of Ottawa when the representative of the United States government comes here. So far as office accommodation is concerned he is to be housed, according to report, in the Metropolitan Life building, a very handsome building, and he will no doubt have a very handsome suite of offices. No one will object to that. Rumour also has it that he is here at his own expense, and that he will secure living quarters in the city. If that is the condition in this capital with regard to the representative of the richest power in the world, why should not a similar arrangement be made for the Canadian representative in the capital of the United States?

To my mind, Mr. Chairman, this proposal involves the grossest kind of extravagance on the part of this government, and I believe that that is how the members of this House and the people of this country view this proposal. I know that around the corridors of this building it is suggested that Washington is over-crowded, that everything is at a premium, that it is difficult to secure suitable quarters. These things may be so, but I will guarantee that if any of our large companies wanted to equip themselves with office and living accommodation in the city of Washington, they would be able to go down and rent it to-day, and have no very great difficulty in doing so. Why should we not follow the example which is going to be set to this country by the rich government of the United States in their treatment of their representative in the capital of Canada? To my mind this proposal to expend $500,000 of the money of the people of this country in a foreign capital, under the conditions that exist in Canada, is worse than extravagance; it is worse than folly. We heard the Minister of Finance tell this House two months ago that this very year, six months hence, we have to pay $100,000,000 of debt in this country, and we cannot pay it; we have to go to the markets of the world and borrow the money.

Mr. ROBB: I did not state that we could not pay it.

Mr. GUTHRIE: The minister said that such as he was able to pay, he would pay, and in the same speech he gave figures to the House which showed that he is going to have a deficit in his accounts for the present year. If he wants the figures I will give them to him if the committee will allow me in this debate to refer to a previous debate of the same session. His figures speak for themselves. With his main estimates, his supplementary estimates, his railway estimates, with his expenditure as he states it, and with his revenue as he estimates it, he is coming out short this very year, when we have $100,000,000 of debt to pay next October and November. Under such conditions what can we think of ourselves if we vote this money? What will the people of this country think if we vote $500,000 unnecessarily at a time of financial stress in this country? The money will have to be borrowed; we have not got the money; we cannot pay our debts as they mature. We can renew our loans, it is true, because our credit is good, but that is no excuse for unnecessarily spending money.

I wanted to bring this matter definitely before the committee as early in the discussion as it was possible to do so, and that is why at this juncture, and not with any idea of closing the discussion at all, I give to the committee the views which we on this side of the House hold upon this question, namely, that this vote should be reduced to the sum of $25,000 which will allow us to rent appropriate office premises and appropriate living quarters for our representative in the city of Washington. I do not even know that he is entitled to any living quarters beyond the allowance which he gets. With the $25,000 left in this vote, there would be $5,000 for living quarters and $20,000 a year for the rent of an office. That is all we pay in London; that is all we were to pay in Washington according to the statement made here to-night. That is ample, sufficient in every way to maintain our representative in proper state

in Washington, and as much as will be paid to the minister at Ottawa by the richest country in the world. I therefore beg to move, Mr. Chairman, that this item be reduced by the sum of $475,000.

Mr. MACKENZIE KING: The committee will recall that in speaking on the item making provision for the legislation I intimated that if the government were in possession of a property of its own in Washington I would be able to reduce that item, not by $25,000 but by $30,000, and that I am prepared to stand by.

May I present the position as I believe it will appear to anyone who resides in the United States—and it is to the United States that we are sending a minister—having regard to the custom of all other countries in the matter of legislation? There are at Washington at the present time between fifty or sixty embassies or legations. Canada has not been in that list until within the last few months. In fifty of these cases I am informed the countries having embassies or legations at Washington have their embassies or legations housed in buildings which are owned and known by the name of the respective countries. The British embassy has a large building in which are the offices of the embassy, the reception room of the ambassador, and his living quarters. France, Germany, Italy, Japan and other principal countries have similar buildings of their own. Even the South American republics adopt a like practice. I believe there are a few cases where a country owns the building its minister lives in and has separate quarters in another part of the city for offices. However, they are very much the exception. The practice at Washington in regard to the representation of foreign countries is for each country to own its own building, and in that building to have its offices and there to house its minister. There are two reasons for this; one the note of permanency which pervades the institution, and another the readier accessibility on the part of the public to the legation at any hour of the day or night. We have to decide, having agreed that we are to have a minister at Washington, whether we will adopt a different practice from that followed by other countries, whether in the eyes of the Americans it is to our interest to appear as a people who are not prepared to do for the minister whom they have at Washington what other countries are prepared to do for their representatives.

By way of illustration, may I cite one or two cases that will appeal to the committee? The republic of Argentine in 1913 purchased a building which cost $300,000. With necessary alteration it cost $368,000. That was at pre-war prices, and without any furnishings whatever. The building provided by the Argentine republic for their minister and legation could not be obtained to-day for the amount we are asking the committee to approve for the building for the representative of the Dominion of Canada. There are two countries which border on the United States, one is our Dominion and the other is Mexico, In 1922 or 1923 Mexico purchased a building for a legation at a cost of $350,000. The addition and structural alterations which were required to make it suitable for the legation brought the amount, including land, up to $465,000, and the furniture cost over another $100,000. Mexico has spent over $565,000 for the building in which her minister is housed and her legation offices located. The question is whether we in Canada, starting out as we are with representation at Washington, are to have our representative housed in quarters inferior to those of other countries which certainly, from our point of view, have not the importance in relation to the United States which our country has. The question is, shall we do that, or shall we start out right at the outset? The government has gone very carefully into the wisdom of leasing or renting as against purchasing. We could, it is perfectly true, rent temporary quarters for offices and temporary quarters for the minister, and that was what we had in mind at the time the estimate of $130,000 was prepared in the first instance. However, we have asked our minister to make a survey of the situation in Washington. We have had others make a survey. My colleague, the Minister of Public Works, the deputy minister and the chief architect of the department have visited Washington; they have all reported to the administration upon the cost at which we could obtain a building which would be Canada's own, and we have come to the conclusion that it would be more economical to own a building outright than to lease premises. From a business point of view it would be more economical, and this quite apart from the advantage to be gained in the eyes of the people generally from adequate and suitable accommodation. In the eyes of the people of the United States, the building at Washington can perhaps best be described as a symbol of Canada.

Mr. BENNETT: It is a part of Canada in international law.

Mr. MACKENZIE KING: Yes. The building itself becomes a symbol of Canada.

I believe that hon. members, on reflection, will feel that it is better we should have in Washington from the outset a building that will be dignified, not pretentious or ostentatious, but modest in appearance, substantial, suitable, in which Canadians can have some pride, rather than that we should have temporary quarters for our legation in one part of the city and a residence for our minister in another part of it, in marked contrast to the legations and embassies of other countries.

Mr. EDWARDS (Frontenac): Do such buildings come under local taxation?

Mr. MACKENZIE KING: That is another feature; I am glad my hon. friend has mentioned it. If we lease premises we have to pay taxes on them, both on the residence for the minister and the office, the taxes appear in the account as rendered to us. Under the regulations at Washington, buildings owned in that city by other countries and other governments are tax free. By purchasing outright we are in a position to acquire property, that will be exempted from taxation and which having regard to its location in the city will prove an asset to the Dominion, increasing in value year by year.

The reason we have brought this item forward now rather than later is that in looking about we have discovered that there is a chance to secure immediately a building, now for sale, that is of exceptionally good value, a building erected shortly before the war and admirably adapted for a legation. We tried to secure a lease of it, but we could not get a lease of it. We were told it was for sale, not for lease or rent. We have had the building carefully appraised, the site and the building itself and an estimate made of the furnishings. To give us an opportunity to purchase, if parliament approves, we have taken an option on it. We have made no purchase or promise of purchase up to the present time, but have simply taken an option in the hope that parliament will vote an appropriation which will enable us to negotiate a purchase. Should the building in question be purchased we will be acquiring an asset for the Dominion. It is located in a part of the city which is both near the business portion and near the residential section. Washington is changing a little in character, as all cities do. The residential portion of Washington is going further and further to the north. This particular property is very near where the Belgian embassy is at the present time.

Mr. BENNETT: The old Danish embassy?

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: No. A statement to that effect has appeared in the press, but it is quite wrong. I believe the gentleman who occupied the house was a member of the Danish legation, but the house itself was never occupied as an embassy. It is on Massachusetts avenue, between 17th and 18th streets.

May I present this point of view to the committee? The United States have recently appointed a minister to Canada. They have chosen as the minister whom they are sending to Canada a gentleman who held the high office of ambassador to Belgium. A gentleman who has held the position of ambassador to Belgium is to hold the position of minister to Ottawa, implying as clearly as any words can imply that in the opinion of the United States government the post of minister in Canada is of more importance than that of ambassador in Belgium. Now I wish to ask the committee, in the light of that will we in Canada feel we are doing our part if we have in Washington a legation or a legation building of a character inferior to that which Belgium has? The building we have in mind at the moment is similar to the building in which the Belgian legation is housed. I submit that as to whether the style of building is right or not, that is about as fair a test as one can make.

My hon. friend has spoken of what the United States minister may receive and how he may be housed when he comes to Ottawa. May I point out that while the minister of the United States will be here, the consul general to this country will also be retained with his office and staff. In a word, the United States will have more than one representative in Ottawa. And may I draw the attention of the committee to this fact: the minister who comes to Ottawa is the one and only foreign minister in the capital of Canada. In Washington our minister has to hold his own with the representatives of fifty or sixty legations and embassies—a very different position altogether. Unless we support our minister to the United States with a proper staff and suitable accommodations, Canada instead of having its prestige raised by being represented at Washington will have it materially lowered.

I do not wish to take up too much of the time of the committee, but I do submit, Mr. Chairman, that from the point of view of economy, from the point of view of national dignity, from the point of view of what is appropriate in our representation at a capital like Washington, it is essential that we have a suitable building in which to house our legation and our minister under the one roof

Anything else than that will not be satisfactory. To get anything at all satisfactory is extremely difficult, and I do not believe we can lease or rent with an advantage to the Dominion at all comparable to that which will result from an immediate purchase.

Mr. BENNETT: Mr. Chairman, I disagree entirely with the payment of this money at this time. Our country with a debt of two and a half billion dollars is told that its position in the world is to be measured by the ostentation of its display. Shortly put, that is the story of the Prime Minister. Never mind the mortgage on the farm; all you have to do is to keep the front up and you are a great man. That is what this means. I do not think the people of Canada are prepared to believe that their position in the world is to be measured by the ability with which they buy and mortgage premises in Washington . Let us look at the facts as they are. Up till the Great war and for some time after the United States of America, the richest country in the world, had in London no premises in which its ambassador lived.

Mr. SPENCE (Maple Creek): The ambassador complained about it, though.

Mr. BENNETT: And I am complaining about it now.

An hon. MEMBER: You are not the ambassador.

Mr. BENNETT: I hope not. And I never will be for the sake of the country that I live in. Let us go a step further. Mr. Page, one of the greatest ambassadors the United States ever had in Europe, lived at the Langham hotel in London. And what he could do Vincent Massey may not do!

Mr. CHAPLIN: His Excellency!

Mr. BENNETT: Mr. Page lived, as I say, at a hotel in London. I remember seeing him there. That was good enough for the United States, the richest country in the world. But Canada with nine million people and a debt of two and a half billion dollars is going to spend half a million dollars in Washington. Are the Canadian people anxious that that should be so? Do you believe they want it? Does any man in this House believe that the farmers of western Canada or the farmers of eastern Canada desire that at a time like this when we cannot spend money on pensions to our soldiers we should spend half a million dollars for the purpose of buying a building in Washington? Half a million dollars for an embassy in Washington, when the embassy of the United States in London is a building that the late J. P. Morgan gave to his country for that purpose. And the United States do not own an embassy in Paris today. As I say, they did not own a building in London until Mr. Morgan presented to them their present embassy. What is their position in relation to us? We have an ambassador or minister coming from Washington to Ottawa, and the great rich United States are content to house him in rented premises. And we are told—if the logic of the Prime Minister is right—that the United States will suffer in prestige because they do not own an embassy here! Does any man think we are in our sane senses when we vote money as we have this session, which means a deficit if the figures are carried out?

Without going, as my hon. friend has said, to past deficits, our railway deficit for the last fiscal year was ten million dollars—not less than 22 millions is the vote mentioned for the current year. But suppose it is less than that, suppose it is only ten million, with the main estimates and the supplementary estimates, with no provision made for old age pensions—and they must be paid because British Columbia is now going to introduce old age pensions—we are now told we must spend half a million dollars more—in Washington. The reason given is that we must put on a bold front and have the people of the United States respect our prestige! Well, if it comes to measuring our prestige in dollars, that is a kind of diplomacy I do not believe in. The worth of Canada is to be measured by the dollars we put into a building! Since when was it the policy of a Canadian government to say that our value in the eyes of foreign countries is to be measured by the kind of house we live in? And it will be a mortgaged house. That is what it means. How many members in this House recall villages, towns and cities in which a great splash has been made by a man with a mortgage on his house, eventually he was lost sight of in the great silent, forgotten past. Is Canada's position to be that a mortgaged embassy—that is what it means—is essential in Washington that we may keep up a bold face, a fine front, a fictitious pride, and have people take off their hats at the embassy and not at what is in it? That is the story. That is what we want. We want people walking down Massachusetts avenue, at 17th and 18th streets, to doff their hats at the Canadian flag on the embassy and not at the brains in the building. I tell you, that is not the policy of the Canadian people.

I have nothing to say with respect to the incumbent of that office, but, Sir, I feel stronger in regard to this than to any other vote that I have ever had to give in parliament, and to the fullest extent of my ability I shall oppose

it. This country apparently is entering on a great adventure, the last great adventure in our relation to the British Empire. I am wholly opposed to the establishment of this embassy at Washington. It is but the doctrine of separation, it is but the evidence in many minds of the end of our connection with the empire. For that is what it means. It means nothing else ultimately, because if we are a sovereign state we cannot belong to the British Empire. We have had so much talk in days gone by of the British commonwealth of nations—but we can never be a nation unless we are a sovereign power; we are not a sovereign power unless we are an independent state; and we cannot be an independent state and remain a part of the British Empire. This proposition does not require any argument. It has been stated frequently. Lord Parmoor put it clearly the other day. There is no doubt of the position. But we use words improperly and illogically, and then conclude that by establishing an embassy at Washington, at an expenditure of $500,000, we are going to command the attention of all the world—to the building. Is it any wonder that the people of the United States laugh at the idea of our putting half a million dollars into an embassy in Washington? Talk with any first-rate business man in the United States and he wonders: What is the matter with the nine million people in the north of the North American continent whose pretensions are thoroughly out of keeping with their position in the world? Our debt is two and a half billion dollars and here we have an estimate of $130,000 for the legation in Washington with $500,000 for the building and furnishings. We are going to strike off $30,000 in connection with the new property, which leaves $100,000 for the legation plus $500,000 for the building and furnishings. We have also an embassy or legation in London and one in Paris, in the latter case the building being rented. In the city beautiful, one of the oldest cities in the civilized world, we have a rented building; yet no one doubts for a moment that Canada is held in high esteem in France. We are held in great respect there, notwithstanding the fact that our building is rented. How strange! And there are more than sixty other embassies in Paris. Why is Canada held in high respect in France and among the other nations of the world? Not for these outward and visible evidences of display, this ostentatious mortgaged wealth; not for these things, but because of the qualities of its citizenship and the manhood that constitutes the Canadian people. That is why we are held in such respect in France and in other countries as well; and it will be an evil day for this country when the doctrine is promulgated by the government that the respect that is to be paid its citizens is to be measured by the ostentatious display which we are able to make in the capitals of the world. And that is just what we are doing now.

Mexico and the Argentine have been cited as examples for us to follow. These nations have had representation in Washington for fifty years—one of them at least—ever since they became organized communities, and they have only recently acquired buildings. Canada on the other hand, only just entering into the ambassadorial realm, is going to buy in the first year a $500,000 property. What will be the effect of this on the world at large? It will be this: the men who occupy that building will evidence pretensions in keeping with the front of the building, and instead of being concerned so mightily with the future of this country their great care will be to maintain the "swank" that goes with a building worth half a million. That is the trouble. Is there a man here who does not realize it? Everyone who has read any of the books recently published with respect to the last twenty-five years of civilization on the American continent understands the tendency of people to get away as far as they can from the modest building in the back street and to establish themselves in the brownstone front in the leading street. We know how the head of such a man expands, and how his self-importance increases. But what about the effect on his neighbours? The Prime Minister asks whether we want Canada to occupy a less dignified position than do other nations in Washington. Let me say this, that, until such time as the richest nation in the world is prepared to pay to the Canadian people the compliment of establishing a legation in a specially erected building in this city, we can afford to live in rented premises abroad. Why should the Canadian people spend half a million dollars to put up a building in Washington, ostensibly for the purpose of maintaining the dignity of this Dominion, when the richest country in the world treats Canada as it does, housing its representative in a rented flat with an office in the corner? Let us be fair about this matter and put on the statute books the provision that when other nations are prepared to set up their embassies in Ottawa in corresponding style, we will erect buildings in foreign cities for our representatives.

An hon. MEMBER: Reciprocity.

Mr. BENNETT: Yes, reciprocity in that sort of thing—reciprocity in respect. We have been told what a great compliment was being paid us in connection with the appointment of the ambassador from Belgium. Is it worth half a million dollars to have such a compliment paid us? Ask the farmers of the country their own opinion in that regard; ask the returned men whose pensions we cannot increase; ask the civil servants; ask any of these people whether they think it is worth half a million dollars to have a foreign representative live in a rented building in Ottawa while we build premises in Washington to accommodate our legation.

Mr. CANNON: My hon. friend referred to the fact that most American ambassadors had no buildings of their own but lived in rented lodgings. Did I understand him correctly?

Mr. BENNETT: I mentioned two cases that had come under my observation.

Mr. CANNON: Is it not a fact that at the outbreak of the war most Americans had to go to the British ambassadors for protection?

Some hon. MEMBERS: Oh, oh.

Mr. BENNETT: I am surprised that my hon. friend should make that statement. I consider that $3,000 improperly voted last night.

Mr. CANNON: The hon. gentleman referred to books written by American ambassadors themselves.

Mr. BENNETT: Ambassador Gerard was in Berlin at the outbreak of the war but the fact is that the British abandoned their embassy and Mr. Goschen went home to London. And it is equally true that everyone whom he could get into the American embassy went there.

Mr. CANNON: That is not what I said. I said that most Americans went to the British ambassadors for protection.

Mr. BENNETT: What does this man mean?

Mr. CANNON: I will tell you what I mean.

Mr. BENNETT: Judging by the arrogance with which the hon. gentleman gazes around at his supporters he seems to be quite sure of himself. Is the Solicitor General serious when he suggests that American citizens fled to the British embassy for protection? Surely he must know that in every field of hostile operations the British embassies were at once closed, and the ambassadors were obliged to go home. Surely he must know that.

Mr. RYCKMAN: He doesn't.

Mr. BENNETT: Well, it was on the assumption that he did that we gave him an increase in pay last night. It seems to me absurd for anyone to say that people fled to the British embassy in any country engaged in the war.

Mr. CANNON: I never said that.

Mr. BENNETT: The hon. member said they fled to the embassy.

Mr. CANNON: My hon. friend knows I never said that. He has changed considerably. No doubt he is getting tired.

Mr. BENNETT: I assure my hon. friend I shall not be tired even by the ridiculous observations I have heard to-night.

Some hon. MEMBERS: Oh, oh.

Mr. BENNETT: It is perfectly ridiculous for anyone to say that American citizens fled to the British embassies in any field of hostile operations.

Mr. CANNON: I never said that.

Mr. BENNETT: That is what the hon. member said.

Some hon. MEMBERS: No.

Mr. BENNETT: What did he say?

Mr. CANNON: In view of the hon. gentleman's state of mind I would rather not discuss the matter with him now. Perhaps we can consider it later.

Mr. BENNETT: I can only say that such a remark is perfectly natural to my hon. friend at all times. That is all I can say.

An hon. MEMBER: Go on and finish.

Mr. BENNETT: And it is not due to artificial stimulants either. I was about to observe, with such courtesy as I could, that until such time as the United States was prepared to pay to the Canadian people that tribute of respect which is due us we should not endeavour to make ostentatious displays on borrowed money. That is all I was trying to say, and I repeat it. What ordinary man in any business transaction would act as the government proposes to act in this regard? Would you spend $500,000 to put up an agency in a foreign country, when that country was not prepared to spend five cents in putting up a building in your country? That is the question; it is a very simple matter,

and that is all there is to it. I referred to the United States not owning its embassies; I think the late Mr. Morgan gave them their embassy in London; the late ambassador, Mr. Page, lived at the Langham hotel, and in Paris they rented premises, yet I have not heard that any citizen of the United States suffered by reason of that fact. It may be that I did not correctly read history, although I have read a great deal of it, and I have yet to read of any American citizen who lost the protection of his flag by reason of the fact that the embassy of his country was in a rented building. That is the suggestion but I cannot find any trace of it.

Mr. CANNON: I never suggested anything of the kind.

Mr. BENNETT: I am sorry if I did an injustice to my hon. friend, because I understood him to say they had to seek safety and protection in the British embassy because they had no suitable quarters of their own. If I misunderstood my hon. friend I very much regret it; I did not do it intentionally.

Mr. CANNON: I appreciate my hon. friend better than I did a moment ago.

Mr. BENNETT: That is the position in that respect. Now I put this proposition: First, this is a new venture; we are entering upon a great undertaking in setting up a separate diplomatic establishment in the capital of the richest country of the world. Cannot we pause and see how it works out before we commit ourselves to such vast expenditure? Secondly, they are reciprocating by sending a minister to Canada, and they are sending him without endeavouring at this moment to buy premises for his use. We do not own the premises in which our ambassador in London resides; Mr. Larkin owns 94 Lancaster Gate, which he bought at very great expense to himself, and fitted for his home; we do not own our building in Paris, nor do we own the buildings occupied by our trade commissioners in other parts of the world. This country has a debt of two and a half billion dollars; this year we would not be able to meet our obligations, if we complied with the demands made upon us by our National railways, out of the estimated revenues of the country. Shall we, then, spend half a million dollars in putting up a pretentious residence, with fittings to match, in the capital of the richest country in the world, when they do not show any willingness to do the same with us? My submission is that there should be reciprocity; when they are prepared to open up their building here we should be prepared to do the same in Washington, but in our present impoverished condition this young state is not doing justice by its people in expending money for this purpose.

Mr. MACKENZIE KING: My hon. friend made a rather amazing remark when he said that the establishment of a legation in Washington was part of a doctrine of separation.

Mr. BENNETT: That is my personal view.

Mr. MACKENZIE KING: I do not know whether my hon. friend and those who applauded him recall the fact that it was the government of Sir Robert Borden which first made the arrangements for the establishment of that legation.

Mr. BENNETT: I do.

Mr. MACKENZIE KING: When I was seated where my hon. friend opposite is sitting I heard Sir George Foster announce with great pride that the government of which he was the then acting Prime Minister had arranged for the establishment of a legation in Washington.

Mr. McGIBBON: They never filled the appointment.

Mr. MACKENZIE KING: They voted money for the purpose of filling it, and hon. members opposite who were in the House at that time voted for it.

Mr. CHAPLIN: Not half a million dollars.

Mr. MACKENZIE KING: They were not in that vote purchasing a building, but they were taking the initial steps just as our government did. We did ask parliament to vote the funds necessary for a building until after our minister was appointed, but having appointed the minister and being prepared to commence business, we then proceeded as any responsible business institution in like circumstances would proceed. I wish the country would understand that until this moment, so far as I have been aware, both sides of the House have been as one with respect to the desirability of opening a legation at Washington, and in that connection I will refer hon. members to my remarks in this House on the address in December last, when I spoke of the appointment of a minister to Washington and asked pointedly if there was anyone in the House who took exception to that appointment. There was not a reply from any hon. gentleman opposite. I was going to say something which I do not believe, but which is in my mind. It may

be that some hon. gentlemen opposite think this is the beginning of a separation, but I can hardly conceive that they really think that, when one recalls that they themselves initiated the policy. I would rather believe that all parties of the country are as one in their faith in the British Empire and in this Dominion as a part of it, in any undertaking upon which as a country we may venture.

In this connection may I ask my hon. friends opposite since when we in Canada have begun to take our lessons from the United States? We have heard a great deal from hon gentlemen opposite to the effect that the United States should not be our example but that the British Empire should be the guide for everything done in this country. Need I remind this committee that in respect to legations and embassies the attitude of Great Britain has been diametrically opposite to that of the United States? The United States have worked on the principle that because they happened to have within their boundaries a number of very wealthy men who are able personally to finance the positions they should fill these diplomatic posts; the United States has been prepared to give these diplomatic posts to wealthy men and to keep them more or less as a preserve for wealthy men. Great Britain on the contrary has never taken that position; she has taken the position that she should seek for her diplomatic posts the best brains she could command, and she has sought so to arrange her legations and embassies that when a minister or an ambassador was appointed he would be provided with his house and his officers, and that every other necessary provision would be made. I say, Mr. Chairman, that in opening a legation in the United States we are taking a sound and safe line when we follow the example of Britain rather than that of the United States.

My hon. friend had something to say about what a business house would do. He is a director of the Metropolitan Life Insurance Company, which has constructed a great building in Ottawa. I wonder if my hon. friend opposed the idea of a United States company constructing a building in Canada which would stand for something, even as a building? Was it just a show of front of which my hon. friend was thinking?

Mr. BENNETT: Does my right hon. friend desire me to answer now or wait? I will wait until later; I will not interrupt.

Mr. MACKENZIE KING: I am just pointing out that my hon. friend belongs to a company which has thought it to be serving its own interests by having in another country a building which of itself would be an expression of strength and power.

Mr. EDWARDS (Frontenac): And of prosperity.

Mr. MACKENZIE KING: Yes, and of prosperity. May I go still further. My hon. friend referred to Mr. Walter Hines Page, the American ambassador to London, and said that Mr. Page lived at the Langham, and that if Mr. Page could get on in that way he thought our minister should be able to get along in the same manner. What did Mr. Page say of his accommodation? I have in my hand a copy of a letter written by Mr. Page to the President of the United States. It is dated London, June 5, 1914; in it Mr. Page did not hestitate to express his views pretty frankly. What was his conclusion? It was that unless the United States changed its policy, he wished the United States to accept his resignation, that under the conditions of living at the Langham, he would not stay in the position of American minister in Great Britain any longer. He spoke of the experiences of an ambassador in London, and after mentioning at some length what the obligations are, he proceeds as follows:

> Now, such activities as these are not merely the fashion. They have become fixed by long use and habit. Things of mere fashion I have persistently omitted and disregarded. In other words, a man who is going to be the American ambassador in London has got to do these and such things, else he would not represent the United States to these people at all. He could be a clerk and transmit and carry messages to the foreign Secretary. But he could have no influence on public opinion—could not be a personage in any sense; he could not know the English people, he would not be highly regarded by them, nor could he ever hear or find out such things as I have sometimes written you in my letters.
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> Of course I have thought all this out. I have thought of omitting most of these things and of taking a small house on a side street and living within my salary. That's possible, and, seen from the United States, it seemed practicable. But it isn't practicable without utterly changing the nature of the task and omitting the most important parts of it. As it is, the United States government (God knows) is held in contempt enough for not providing its ambassador with a house. This omission has been flung in my face, I am sure, every day that I have been here. Even in official circles it is continually held against us. This British government has a house in Washington and it makes its ambassador an allowance for various expenses. It is regarded as a poor return compliment that our government has no home here and skimps our ambassador. They don't like it. Every other country that has an ambassador here (except the Turkish) owns a house or has a house on a long lease; it has furnished it well; it allows a fund for entertainment.

And then there is the concluding paragraph:

I pray you pardon all this, my dear Mr. President. It is an unpardonably long explanation of an unfortunate situation. I imagine after all that the best way out of it is for you to relieve me of further duties that I cannot pay for, find a man of fortune for this post, too, and let my resignation help, if it can be made to help, toward an understanding of the whole diplomatic problem. Perhaps that's the best service I can render, after all. But I shouldn't be candid if I didn't express a profound regret, for I am eager now, since I have begun to learn how, to serve you and to do what I can to building up a right understanding of us and of our government abroad. The first step in building up such a right understanding here must be a house for our ambassador. If I go away, however, because I can't afford it and my successor has to pay for his own house —that'll not be a flattering or helpful condition for him to begin his labour under. It's surely a bad predicament.

Yours most heartily,

WALTER H. PAGE.

Now what has been the result of that and similar representations? The result of that kind of protest has been that the United States government last year appropriated $10,000,000, for the purpose exclusively of erecting buildings for its ministers and ambassadors abroad. The sum of $10,000,000 last year was appropriated for that purpose on top of a very large appropriation that was made a few years before. I hold in my hand a volume reporting the hearings on this subject before the committee on foreign relations of the House of Representatives, and I would commend it to hon. members to read. It contains an expression of what the United States itself has come to regard as a fatal mistake made through not having proper accommodation for its embassies and legations and confining the positions merely to wealthy men. May I say we are anxious that these positions abroad should not be made a monopoly or preserve for men of great means. We are anxious that they should be open to any men in our country who possess the ability and skill to fill them with honour and credit to themselves and their native land. If that is to be done, we must arrange to secure furniture and equip the proper premises both for offices and residence. My hon. friend spoke about Paris. May I say to him that I understand a part of the $10,000,000 that has been voted by the United States is to go towards erecting a building for the embassy in that city? So I repeat that whether we take the view of the United States as it has been borne in upon them through conviction, or whether we take, as I prefer to take, the example of Great Britain, we will be wise in following the course which experience has shown to be the best. And may I just make clear that what we will be allowing our minister—in connection with the salary, representation, residence, and everything else—will equal only one-quarter of what Great Britain allows the British ambassador? With that understanding of the outlay involved hon. members will surely have reason to feel that if we are to have a legation at all we are beginning in as modest a way as can be.

[Mr. Mackenzie King.]

Just one further word, because I do not wish to take up too much of the time of the committee: I think this country has been particularly fortunate in the appointment of Hon. Mr. Massey as Minister Plenipotentiary to Washington. The press of this country, the press of the United States, and the press of Great Britain have been one in these expressions of appreciation of his exceptional qualifications for that high position. We have been more than fortunate in securing to fill this all important post one who is so eminently qualified, and I submit that we owe something to the minister whom we have appointed as well as to our country which he represents.

Mr. CHURCH: The House is asked to vote half a million dollars for the purchase of land upon which to erect an embassy building at Washington. In addition a sum of $130,000 is provided for salary and other purposes. If I am the only member of the House to do so, I am going to vote against this expenditure. Six hundred thousand Canadians have gone to the United States to look for work and yet we are asked to make expenditures of this kind. The government seem to think they can do nothing for the unemployed in this country, nothing for the returned soldier. But they have found an unemployment cure. They have discovered the "ambassador cure" for unemployment in Canada. They have appointed an ambassador at Washington, and they are going to appoint ambassadors to all the countries bordering on the seven seas. I am opposed to the principle underlying this vote which expresses the idea that Canada is a separate country. Apparently all that the government are going to do in connection with this embassy is to provide comfortable jobs down at Washington for some of the politicians. They have appointed an ambassador so that he may be able to strut around with the title of "His Excellency". There have been representatives at Washington in the past and what have they done? With reference to the Chicago diversion of water, for example, they have done nothing; the American people have seen fit to make a football of that particular question. What

does the economical Minister of Finance think about the way things are going? Here we have half a million dollars in the supplementary estimates for an embassy at Washington that is not going to be worth fifty cents to the people of this country but will do Canada more harm than good. We have become a nation overnight. That is one of the wonderful announcements the Prime Minister brought back from the Imperial conference. To-morrow, after this vote goes through, Canada will be known as the "Mexico of the North". A few weeks ago I asked what flag the government was going to fly over the embassy at Washington. I was told by the Minister of Justice, "the same flag that flies over the High Commissioner's office in London". There is another office that the people of this country are not getting value for. The Union Jack will not fly over the embassy at Washington. We shall be like one of the sixteen Latin republics. No wonder some of the people of this country are wondering if we are not at the parting of the ways so far as our relations with the mother country are concerned. The people of this country are opposed to appointing any ambassador from Canada to Washington. We sent Mr. Fielding and Mr. Paterson down to Washington in 1911, and we know what they did. They nearly landed this country into the reciprocity pact, and one of the first moves of this embassy, it is stated. will be to bring forward within the next few months the reciprocity agreement with the United States.

I am going to record my vote against the principle of this appropriation. It is opposed to the basic principles which attach this country to the motherland. The government propose to spend $500,000 in buying land at Washington before we even know what the functions of the proposed embassy are to be. So far as I can see, all that our ambassador at Washington is doing so far is making a lot of political speeches in the United States, in New York and other cities, doing this country more harm than good. Let me say to the Prime Minister that Canada has become to-day a happy hunting ground for American millionaires. They cross to Canada to the number of several hundreds, and seize our water-powers, our mines, and all our great natural resources. We have no money for unemployment relief in this country, Mr. Chairman. We have not one cent for the soldiers, but here we are proposing to spend $11,000,000 in the supplementary estimates. I am surprised at the Minister of Finance, who tries to stand for economy, supporting this utter folly. The Canadian ambassador at Washington will be nothing but a figure-head.

Mr. DUNNING: Mr. Chairman, I am opposed to this amendment on the grounds of plain, ordinary good business. The reason can be easily and briefly stated. The leader of the opposition moves to cut down this vote to $25,000, his object being, as stated by himself, that we should rent premises for $25,000 a year instead of buying premises for less than $500,000. On grounds of sound good business, may I suggest to the members of this committee that $25,000 a year would pay the interest and sinking fund and amortize the whole cost of the building in about twenty-five years, and at the end of that time we would own the building. But if we adopt the method proposed by my hon. friend the leader of the opposition, we would pay $25,000 a year for eternity, and we would own nothing. By adopting the policy proposed by the government, we become the owners of property in a city in which the values are constantly increasing from year to year, a property in one of the best parts of that city, an asset that will remain at least at its present value, if it does not increase throughout the years. In addition, by virtue of the laws of the United States we shall be getting our property tax free, whereas if we rent accommodation, we shall undoubtedly have to pay taxes to someone else in the form of rent.

I desire to say only a word or two with reference to the argument of the hon. member for West Calgary. His style is always very interesting. His constant reiteration of the term "mortgaged premises," depreciating the importance, the standing, the prosperity and the dignity of his own people—

Mr. BENNETT: Is it true or not?

Mr. DUNNING: Well, if it is true, will my hon. friend say that the British government, which is to-day spending $1,500,000 in building an embassy at Washington, are doing the thing he accuses us of doing—the British government which has a very much heavier mortgage on its people proportionately than we in Canada have? Will my hon. friend say that the British government is disgracing its people?

Mr. BENNETT: I did not say disgrace. I never used the word. Take it back now.

Mr. DUNNING: If my hon. friend omitted to use the word disgrace, it is the only epithet he omitted.

Mr. BENNETT: I did not use the word. I rise to a point of privilege, Mr. Chairman. I ask the hon. gentleman to withdraw.

Mr. DUNNING: I will, of course—

Mr. BENNETT: Well then, don't do it again.

Mr. DUNNING: —on the condition that members of the committee will read Hansard in the morning, where in the hon. member's remarks they will find many adjectives much stronger.

Mr. BENNETT: But not the word disgrace. They will not find that.

Mr. DUNNING: When my hon. friend throws at us the charge of acting in a manner unbefitting the decencies of nationhood, I do not think I am going too far in saying that he accuses us of putting up a false front because we would be putting up what he described as a mortgaged building. What terms, then, can he apply to Great Britain whose mortgage to-day is infinitely heavier than ours, but who at the same time is spending one and a half million dollars in the same city to erect a building befitting the dignity of that country in which to carry on the business of its citizens. Are they putting on a false front?

Mr. KAISER: How long have the British people had an ambassador at Washington?

Mr. DUNNING: My hon. friend is apparently not aware of the fact that Great Britain has owned another building at Washington for many years past, and they have found it necessary in recent years to make provision for a larger building rendered necessary by the increased responsibilities and increased work of the British ambassador to the United States.

I revert to my first argument. It is simply a matter of good business. The opposition in this House, with all their talk characterizing us as extravagant for proposing this vote, designed, of course, to go throughout the country, are themselves prepared to spend each year an amount which would be gone for good if spent in rent, but which if used in the way I have indicated would amortize the cost of the whole proposal inside of a period of about twenty years. I will leave it to the judgment of the Canadian people which is the businesslike proposition.

Mr. CHAPLIN: Would the minister just explain how he can amortize a debt of $500,000 in twenty years with annual payments of $25,000? Where does the interest come in?

[Mr. Dunning.]

Mr. DUNNING: My hon. friend is forgetting the Prime Minister's announcement that as a result of this proposed expenditure we can take $30,000 off from the ordinary vote for the maintenance of the legation. He forgets further that the total cost may not, and in all probability will not, reach the maximum figure of $500,000.

Mr. GUTHRIE: It will go over it. Show me a government estimate that does not.

Mr. IRVINE: This vote, Mr. Chairman, has developed into rather an important one. I shall have to vote for or against it, and as it has become so important I feel that I want to go on record, setting forth my own position personally. I want to say first, Mr. Chairman, that I felt a good deal of pride when Canada appointed a minister plenipotentiary to Washington. I realized at the time the appointment was made that there would be a good deal of expense connected therewith, and I must say that I regret that this vote should have brought about such a debate, and particularly do I regret the shade of politics that is coming into this discussion. I would like to see every hon. member of this House regard our minister at Washington as the representative of Canada, not as the representative of this party or that party, and I imagine that if I were in his position and heard suggestions in the House of Commons of a political character I would feel pretty much discouraged.

In reference to the vote, I believe that it can be justified as a business proposition. I do not claim to be very much of a business man, but I can see that if the purchase of the property is judiciously and wisely made we shall have to begin with a very good collateral, and I imagine that we will be able to save at least sufficient in rent to pay the interest on the investment, and even if we only do that we shall break even.

Some hon. members have said that we ought to follow the example of the United States, and others have said that we ought to follow the example of Great Britain. I am going to say that we ought to follow the example of Canada. We ought to stand upon our own dignity, and this is really a matter in which the dignity of Canada is involved. I do not think I will have much trouble in explaining to the people interested in my presence here my reason for voting for this item. I do not question the motives of the hon. member who moved the amendment. I have no doubt he can justify his position as well and perhaps better than I can justify mine. But we have undertaken to send our plenipotentiary to

Washington, and we must provide in some way or another for an abode that will be a credit to the country he represents. It matters very little perhaps whether we pay rent or purchase, but I believe that in the last analysis the purchase will be our very best way out, and I hope the vote will carry and that we will not divide the House on a matter in which the dignity of Canada should be paramount.

Mr. RYCKMAN: I think that if any hon. member were outside of this House and had a proposal made to him that in view of our debt we should make this payment of half a million dollars, he would say that anyone who proposed such a thing was without an atom of sense or a suspicion of brains. No man in business, situated as this country is, relatively, would think of making an investment of this kind at this time. We are told as a reason—and it is a reason that is often given when someone wants to buy a piece of property which is beyond his means—that "this property will increase in value". When a man thinks a piece of property is going to increase in value he says, "I will go into the real estate business". I want to tell the House that the people of Canada are not satisfied that this country should go into the real estate business in Washington. I am constrained to say this because of something that appears in to-day's Toronto papers. An investigation is being held at the present time in Toronto into the Customs department. It has developed that the collector of customs, a most reputable man, a Liberal, Mr. Bertram, said to the commission that by reason of the fact that there is no proper examining warehouse in Toronto the country is losing immense sums of money. Further, Mr. Bertram is reported to have testified yesterday that if he carried out the law—and I am glad the Minister of Customs is here—as he was required to do, the port of Toronto would be out of business in two weeks. Chief Commissioner Brown said to him, "Well, you had better do it, in order to bring the country to its senses", or words to that effect, urging the collector to draw to the attention of this House and the government the necessity of providing accommodation. The Minister of Public Works (Mr. Elliott), knows that there is no accommodation there, and the deputy knows it. The minister knows that a lot of money is absolutely lost to the country by reason of the fact that goods are brought in without being examined and that no duty is paid upon them. This money could be saved to the country if the government provided a proper examining warehouse in Toronto, and yet they will not do it. But they are prepared to go to Washington and invest $500,000 in a building which they say will probably increase in value.

I think that when the Prime Minister (Mr. Mackenzie King) reads to-morrow the two speeches that he made in the course of this debate he will be surprised. He started out by saying, "We have got to do this, to show the Americans a good front and to earn their good opinion"—in other words, "keep up with the Joneses." That proposition has ruined many a family and will ruin any nation. Later on he said, "since when have we begun to take lessons from the United States?" Those are the people whose good opinion he wants to win by putting up a building with a front, and at the same time he says, "Oh, we are not learning from the Americans, we are learning from England." I want to tell the Prime Minister that the American people will have no respect for the Canadian nation if, in our present financial condition, we borrow money—and that is a fair way to put it—to purchase this building in Washington. Let us remember the pledges that we gave when we asked our electors for their suffrage in the last election. In many cases it was no idle pledge; I believe the members of the House when they made the pledge intended to carry it out, and the pledge of economy was given. The statement was made to the electors, "We believe that if ever there was a time when stringent and drastic national economy was necessary, this is the time, and Canada should have a government which would carry on the affairs of the country economically and avoiding undue expense to the people." The practice of economy has been urged upon this country by all those whose opinions we value, presidents of banks, general managers of financial institutions, and so on, and here is an opportunity to exercise economy. But now we are asked to rush into this unjustifiable, unreasonable expenditure. Did we ever have a representative at Washington? Yes, we did. We had three or four men, any one of whom—without being personal in this matter—would compare favourably with the present incumbent of the office, His Excellency. We had a commission of business men at Washington at the time of the war. It was necessary, for there was tremendous business between Canada and the United States then, more than there will be for a long time to come. Who were those men? Lloyd Harris, a fellow director with Vincent Massey of the Massey Harris Company and the president of several other companies; J. Allen Ross, president of the Wrigley Company;

Ross McMaster, president of the Steel Company of Canada, and Frank Rolph, president of the Rolph Clark Stone Company. Those men were spending on their country's business all their time in Washington with the exception of journeys from time to time on business connected with the conduct of the war. These men had an office not very far from the White House. It was not pretentious, but it was suitable for the business of Canada. Those men rented a house and lived together in it, but in so doing it was not thought they were not representing Canada and the people of Canada as they should be represented at that time. I am not arguing that our minister in Washington should live in a house that does not do him honour and credit; but it is not necessary to spend money on a fine house, either by way of rent or purchase, in order to gain the respect of that community. I think we might well make a start at Washington in a sane, sensible way that will win the good opinion not only of our own people but of the people of the United States.

I regard this as one of the most important votes that could come before parliament this session. I believe the attention of the people of Canada is centred on what we are doing in this respect. In this connection I cannot help making a personal reference. In my early life Hart Almerrin Massey, the grandfather of our minister at Washington, was one of the very best friends that I ever had. I was intimate with him and I owe to him my first start in life. I believe that he would turn in his grave at a proposition such as this. His grandson cannot carry the judgment of those who know him well if he is prompting the government to undertake this unnecessary and unreasonable expense. Therefore I ask the government to reconsider this vote in order to find out what the people of Canada really think about the proposed expenditure. It is not absolutely necessary; that is certain. After all, it is simply a question of values. I plead with the government to consider this matter on a business basis, take the opinion of some of our prominent business men who wish this country well. Then I am sure the government will come to agree with me when I say: Let us avoid this unnecessary expenditure.

Mr. SPENCE (Parkdale): Mr. Chairman, every time a discussion on any subject takes place in this House we hear hon. members from the government side telling us about what some old time Conservative said or did in the past. I know the Conservative party got contaminated by contact with the Liberal party during the war, and as a consequence they made many mistakes. I am not criticizing those mistakes made in war time, but I know that that was the only time when the Conservative party did make any mistakes. However, we do not propose that the party opposite to-day should continue making mistakes simply because we made a few in the past; for two wrongs do not make a right. There is no need for a Canadian minister in Washington. What we should do is to appoint there a real Canadian trained in the business world who could sit in with the British ambassador and help us in the very best way possible. But no, we must have a minister plenipotentiary in Washington, and I presume we shall have to buy and furnish a building in keeping with the hon. gentleman's position such as he might have if he remained in the city of Toronto—a building worth about $50,000. I know Washington well, I have been there many times, and when I hear hon. members talking about the appreciation in the value of real estate there, I say to them that Washington is as dead as Ottawa—and hon. gentlemen know what that is.

The hon. member for East Toronto (Mr. Ryckman) has mentioned the fact that the government did not build a customs house in Toronto five years ago when they came into power. That would have cost about $500,000, and, as Mr. Bertram, the head of the customs branch in Toronto has said, a suitable building would have saved this country a million dollars. To-day you are going back on the city of Toronto in that respect, you are going back on the improvement of the harbour, you are going back on the building of a sea wall; but when it is proposed to spend $500,000 on a building in Washington the Minister of Finance (Mr. Robb) is as dumb as a clam, although when we ask for any money for revenue-producing public works he says, "You will have to see somebody else."

An hon. MEMBER: Where is Toronto?

Mr. SPENCE (Parkdale): Never mind where it is; we pay our way. As I say, when there is a proposal before the House to spend half a million dollars in Washington the hon. Minister of Finance sits in his seat very quietly, but when money is required for absolutely necessary public buildings in this country he tells us how difficult it is to get any money. As business men we know how much we have to pay in taxes—

Mr. ROBB: I have taken some of them away.

Mr. SPENCE (Parkdale): —and the people of this country can stand very little more taxation. What we need to-day in this Dominion is an economical business administration, not the extravagant administration that the country has been burdened with from the day you came into power. There has been no consideration for the business world since you took office. You have pandered to the faddists from the day you took possession of the treasury benches, and I suppose you will continue to do so until you are deprived of your seats and a sane business-like party—the Conservative party—forms an administration that will do something for Canada.

Mr. BENNETT: Mr. Chairman, three questions were asked me which I shall endeavour to answer. The first question submitted by the Prime Minister was whether or not in my capacity as a director of the Metropolitan Life Insurance Company I opposed the construction of the building yonder. I can assure him that I did not; I supported it to the extent of my ability. Nothing could more aptly illustrate the point I desire to make than the history of the enterprise in respect to that building. The Metropolitan Life Insurance Company has more insurance on Canadian lives than any other insurance company in Canada, and they found it desirable to invest in this building a portion of the premiums paid by those policyholders. But during the early days of its existence the company occupied those little premises down on Elgin street that are so small that I suppose people would think it impossible for the business of the company to be there transacted. In other words, in its early days the company occupied a very insignificant structure, but as it developed and it became apparent that the magnitude of its business demanded better accommodation, the company built the present premises on Wellington street.

The point we have endeavoured to make is that in the early stage of our career among the nations in Washington we should be content to make our way as other nations have done—occupying premises in keeping with our condition and the effort we were making to establish ourselves. That is what is done in ordinary business by ordinary people. It is an exemplification of the old saying, that children creep before they walk. It is fitting that Canada should emulate the policy of great enterprises, namely, in the early days establish themselves in keeping with their ability financially, and then develop their premises as their resources increase. The building that the Metropolitan Life Insurance Company spent over two millions on at the corner of Wellington and Bank represents the company to-day with assets of two billion dollars; the small property on Elgin street represented the company when its assets were something over a hundred million dollars. I mention that because it clearly illustrates the position of this country.

The second question to which attention was directed was that I had said I did not favour an embassy. My views are well known. I do not believe Sir Robert Borden when he desired to establish a representative of Canada in Washington had in mind any such pretentious effort as is now being made. The desire arose out of the trade commissions that we had in Washington during the war. I have always felt, and I still strongly believe, that Canada should have an active trade commissioner in Washington, a gentleman who, if you wish, should occupy a position similar to that which Mr. Larkin occupies in London. He is High Commissioner, and there might well be a high commissioner at Washington who would devote his attention to the development of our trade. At this moment we are the second best customer of the United States and our effort should be to induce them to buy more of our goods. I do not think it is consistent with the position we occupy financially and with the balance of trade as it now is—that is, our buying ever-increasing quantities from them and selling them correspondingly smaller quantities, except of raw material and partially fabricated goods—that we should establish an embassy there. What we ought to establish is a trade commissioner's office, a high commissioner's office, if you will. Just as we have in England various trade commissioners, with a high commissioner at the head, so we should establish in Washington, not an embassy but a trade commissioner's office. We do not need diplomats but trade commissioners. We require men who will extend our commerce and not men who will make us known as the occupants of fine premises. That I believe is the view which the major number of our business men in Canada entertain in this regard. I have always believed that it was the duty of this country to have a trade commissioner in Washington; it seems to me that we have suffered a considerable loss because of that deficiency. But when we speak of an ambassador and a trade commissioner in the same breath we are confusing terms and making a great mistake.

It has been suggested that by reason of rentals we shall be able to own the prem-

ises outright after twenty years. Let me offer this comment on that suggestion. I directed the attention of the House last year, as I did many years ago, to the fact that in Ottawa from 1896 to 1911, and further from 1911 to 1917, a continuous effort was made to construct new departmental buildings on the other side of the Supreme court chambers. We have been content to pay rentals in this city aggregating several hundred thousands of dollars per annum, and we have never attempted to apply the principle expounded by the Minister of Railways to-night. In other words, during the last few years we have been renting buildings to provide post office accommodation in many communities instead of putting up new structures in Ontario and in other places, for the reason that we would not undertake such construction. When the Minister of Railways in his glib manner passed over this matter as lightly as he did, he overlooked the fact that the doctrine he preaches we have declined to follow. No business man goes and borrows half a million dollars rather than pay rent if he finds himself burdened with fixed charges amounting to over $120,000,000 per annum. If he finds himself in that position he is content to make temporary arrangements until his condition improves, because he knows that he can make expenditures that will not involve any sacrifice.

Now is it desirable to have a new public building erected in Toronto or an embassy in Washington? Which is more desirable—to have post offices in Canada or a $500,000 building in a foreign country? If the principle were sound, that we should put up buildings rather than rent them, we should not be suffering to-day from any lack of accommodation in this regard. I recall the circumstances mentioned by an hon. member from Toronto with respect to the examining warehouse. I can recall that efforts were made during the war to obtain that building, but these efforts were unsuccessful. In this city hundreds of thousands of dollars are being paid out in rentals and we are not building, simply for the reason that we do not feel ourselves in a position to do so. We are hoping against hope that we may be able so to improve our condition as to be in a position to engage in construction. Tell the electors of the country, the taxpayers, that we cannot afford to put up new post offices where they are demanded—although, by the way, we are building a new one in Regina at a cost of $150,000—that we cannot supply the needed facilities in connection with the public service; that we cannot increase the salaries of the mail clerks and letter carriers: tell the electors this and then ask them whether in their opinion it is desirable to pay half a million dollars for a building in Washington as against renting premises for a temporary period. Put that case before the people and see what they will say. I believe that when the experiment has been made it will be found that the embassy as such will not satisfy the people. We want trade commissioners. It is not gold lace we want but a gold balance of trade in this country. We want increased exports and decreased imports in our trade relations with the United States. If they insist on our buying their manufactured goods, then they must be prepared to receive more of our wheat and cattle than they are now buying. They have shut us out of their market altogether and they want us to import goods from them. Their mass production is having an injurious effect on the industrial life of this country, and what we require is a trade commissioner to represent us in that country. But what are we doing? We are proposing to take half a million dollars, wrung from the taxpayers of the country, for the purpose of setting up an establishment of this description. We have no great accumulations of wealth in this country; we have no great resources to draw upon; and the debt of Canada is more staggering to us than the national debt is to any of the older countries. Every thoughtful man who analyses the situation knows it. I am not opposed to Canada maintaining a dignified position among the other nations, but let me impress upon hon. members the fact that dignity is never measured in terms of dollars and cents. You cannot measure the natural latent dignity of a man by his bank account; the value of citizenship has never yet been determined by any such means.

Some hon. MEMBERS: Oh, oh.

Mr. BENNETT: Nor can you measure his worth by his arrogance and his manifestations of ignorance. You cannot do it either way. The importance of Canada in the eyes of foreign countries will not be gauged by the premises we occupy; and just as Mr. Page said in the letter read by the Prime Minister, that it was a poor compliment to England for the United States to occupy the premises it did in England, so I say it is a poor compliment to Canada that the American ambassador should be willing to maintain an office in yonder building, occupying a flat or a rented house. When Canada finds herself complimented in the manner suggested by Mr. Page, then we will be more ready to consider such an application as we have before us to-night.

I have endeavoured to answer the questions submittted to me. The answers I have

given may not commend themselves to the committee, but at least they are answers, whether satisfactory or not. When we are asked to undertake something of this magnitude we should know first whether our circumstances and our resources will warrant it. Mexico has been referred to. I took the trouble to send for a reference book from which I learn that Mexico's debt is less than $300,000,000 while her population is 16,000,000. Yet Mexico, according to observations made in this House last year or the year before, acquired premises in Washington only recently. If the diplomatic relations of Mexico with the United States could continue under such conditions for so long a time why cannot Canada be content to rent a building in Washington? Why has the government not adopted the policy of erecting buildings in the city of Ottawa and elsewhere in Canada if that policy is considered so sound? During all the days of buoyant revenue that policy has been ignored. These are questions that demand an explanation.

There is one other question which was suggested and that was that the increase in the value of real estate would compensate the country for going into this business. If the Canadian people are going into the real estate business, I do not believe they will choose an embassy for an experiment with which to start. I can only ask the Minister of Agriculture, in view of certain observations which he has made, whether he thinks the farmers on the plains, the stock growers, will be better satisfied to have half a million dollars spent in Washington rather than have that amount spent in endeavouring to improve the pure bred stock, for which assistance has been cut off this year.

Mr. MOTHERWELL: We will attend to both of them.

Mr. BENNETT: I am pleased to hear the minister say that, but the Minister of Finance will probably have something to say about it. That is the real position; can we afford to do this? Would the Minister of Trade and Commerce do it? That successful manufacturer did not build his business in just that way; he did not suddenly blossom out into a great manufacturer but proceeded gradually to develop that business which is now one of the greatest in the country; may it long prosper. That has been the case with respect to every Canadian enterprise of which I know which has really made progress, and we must follow that practice in the United States if we are going to make the progress I hope to see. I will vote for the amendment and against the adoption of this item more gladly than I have voted against any contemplated expenditure in this parliament under any circumstance, because I am satisfied that the people of this country in their present condition, with the burden of taxation they have to carry and with the unamortized buildings in this city which are absorbing hundreds of thousands of dollars every year, are not anxious to have this experiment tried abroad. I do think in the end it will be found that if Canada is to make progress at Washington we must develop there a great trade commission which will help increase our trade and change the balance as it exists between the United States and Canada. That is what we need, not gold lace, as I stated, but gold dollars flowing into this country under a proper balance of trade.

Mr. EDWARDS (Frontenac): I am opposed to this expenditure because I regard it as a breach of faith with the members of this House and the people of this country, and I will tell you why I make that statement. During the years of the war we were told by the governments that they could not engage in this or that expenditure, which was admitted to be necessary, because the money was required for other purposes. All parties agreed on that, and members representing constituencies all over the country did not press their demands. That they had just demands was admitted, but our financial conditions were such that those demands should not be pressed, and that was not done. But we were told after the war was over and in the years immediately following that those works, which were acknowledged to be necessary would receive consideration. Therefore I could not conscientiously support this expenditure in Washington in view of the implied promise and definite understanding that works in this country would be gone on with, which understanding is still being disregarded while the works are not being undertaken. I can see only one reason why this expenditure should be made. We will have a deficit of several million dollars this year; we will have to get the money somewhere, and perhaps the Minister of Finance will go to the United States to borrow it. In that case, I can understand him putting on a good front. Many years ago an old friend of mine gave me this advice; he said, "If you go out to borrow money, put on your best clothes and look as

well as you possibly can." So if we have to go to the United States to borrow money perhaps that would justify the government in this expenditure, and that may be the reason the government is putting on such a magnificent front in Washington.

Amendment (Mr. Guthrie) negatived: Yeas, 54; Nays, 90.

Item agreed to.

Miscellaneous—salaries and expenses of the Paris agency office, $45,000.

Mr. ROSS (Kingston): What is the object of this vote?

Mr. MACKENZIE KING: This is to meet the expenses of the office in Paris, which has been in existence for many years. The increase is accounted for in part by the necessity of acquiring further premises, and some alterations are also required.

Mr. ROSS (Kingston): Where is this agency quartered, in a rented building?

Mr. MACKENZIE KING: On the Boulevard des Capucins. The premises are rented.

Mr. ROSS (Kingston): How long have they been renting these premises?

Mr. MACKENZIE KING: About fifteen years I think.

Mr. ROSS (Kingston): May I ask what use we are making of the Scribe hotel?

Mr. MACKENZIE KING: As I understand it the Canadian National railways have their headquarters in the building, which is no longer in the possession of the Canadian government. Apparently the company made a mistake in selling the building; it would have been much better to have kept it.

Mr. GUTHRIE: The Scribe hotel is still operating in the same building?

Mr. MACKENZIE KING: Yes.

Mr. ROSS (Kingston): You made two mistakes; you made a mistake when you bought it, and you made a mistake when you sold it.

Item agreed to.

To provide for representation at Geneva, $12,000.

Mr. GUTHRIE: This is in connection with the League of Nations, is it not?

Mr. MACKENZIE KING: Yes.

Item agreed to.

[Mr. J. W Edwards.]

Grant to the Interparliamentary Union for Peace, $200.

Mr. CHURCH: What is this for? I fail to see any advantage to the people of this country in this expenditure.

Mr. WOODSWORTH: I should like to know what this Interparliamentary Union amounts to?

Mr. GUTHRIE: It is a vote of $200.

Mr. WOODSWORTH: Why not cut it out?

Mr. MACKENZIE KING: It is an international organization, and different countries contribute something towards it. A $200 contribution from Canada to an interparliamentary association towards the cause of peace ought not to be amiss.

Mr. WOODSWORTH: That is precisely it. Canada is contributing $200 toward the cause of peace. That is the Prime Minister's assertion. It seems to me absurd. This is an old organization that is practically superseded by the League of Nations, as I understand the matter, and we simply continue to give a few dollars out in this way. If these were a few hundred thousand dollars to be expended in any reasonable way in the cause of peace, I would vote for it; but here we are giving small amounts to some half obsolete organization.

Item agreed to.

DEPARTMENT OF LABOUR

Department of Labour—Annuities Act, $20,000.

Mr. GUTHRIE: There is an increase of $15,000 in the administration of the Annuities Act. What is the ground for that?

Mr. HEENAN: The amount is the same as that voted last year. There was $5,000 in the main estimates and $15,000 in the supplementary last year. It is the same this year.

Mr. GUTHRIE: There is an increase of $15,000 shown.

Mr. HEENAN: In the main estimates.

Mr. WOODSWORTH: What steps are being taken to popularize this service?

Mr. HEENAN: This amount is practically for that purpose. We started a campaign with that object in view last month, and up to date the services of two stenographers have been necessary to answer inquiries made in connection with it. There were 4,000 inquiries last month.

Mr. BENNETT: The advertising is carried out in newspapers with political affiliations. That is the main thing.

Mr. WOODSWORTH: Has any special appeal been made through the post offices?

Mr. HEENAN: This applies to newspaper advertising.

Mr. CHAPLIN: What has been the effect of your advertising?

Mr. HEENAN: There have been 4,000 inquiries.

Mr. CHAPLIN: What has been the actual effect in the matter of increasing the sale of annuities?

Mr. HEENAN: It takes quite a while after we start to advertise to get inquiries in and to send information out before we really sell an annuity.

Item agreed to.

Administration, Employment Offices Coördination Act, $17,000.

Mr. WOODSWORTH: What steps are being taken to carry forward the actual service to industrial conditions in this country? It is all very well to have offices to which employers may appeal for help, but if we are to have a solution of our labour problems, especially as regards seasonal labour, it seems to me that this department ought to formally work out some scheme for correlating winter and summer industries in such a way that one may dovetail into the other, and thus provide regular work for the men who need it. I would ask the minister whether anything of this kind is in contemplation?

Mr. HEENAN: As I understand it, the offices are just for that purpose, and my information is that they move on an average of 200,000 men each year from one place to the other. About 50 per cent of these men travel one hundred miles back and forth. I realize, of course, what the hon. member has in mind. It is one of the means of contributing towards regular employment. But the difficulties in the way are many. In the first place the greatest difficulty is to persuade men that they ought to move from one place to another in order to get seasonal employment. I know because I have had a great deal of experience in that direction myself. For instance, take railroad men. They are employed during the busy season, but when work slackens it is difficult to get them to move to another place where there is more traffic. I can easily understand how difficult it is to get miners, for example, when mines close down, to move to the wheat fields or to the lumber camps. We shall have to carry on an educational campaign to bring home to the men the fact that this is a country of seasonal employment.

Mr. WOODSWORTH: Has the minister done anything in the way of an educational campaign among the employers so that the industry itself may be regularized?

Mr. HEENAN: I was just going to add that we must try and get the employers to look for their labour to those parts of the country where men are out of work instead of bringing in more immigrants from European countries. But that is a work that cannot be done in a minute.

Mr. CHAPLIN: Why do you let them go to Europe to bring in immigrants when you have men unemployed here?

Item agreed to.

Industrial Disputes Investigation Act, $20,000.

Mr. CHURCH: The Privy Council has decided that this act is ultra vires of this parliament. Why, therefore, is this vote continued year after year?

Mr. HEENAN: The act is not ultra vires of this parliament. Very good work is being accomplished under it in settling disputes in this country. It is worth much more than $20,000 a year.

Mr. HARRIS: What work was done in this connection by the department last year?

Mr. HEENAN: We received fourteen applications, ten boards were granted, and in each case a settlement was reached.

Mr. GUTHRIE: How much money was spent?

Mr. HEENAN: For the nine months to the end of the year $8,521. There are a few boards still sitting.

Item agreed to.

Joint Industrial Councils, $3,000.

Mr. WOODSWORTH: There has been an item in the estimates year after year with regard to joint industrial councils, and the previous Minister of Labour failed to show us that anything much was being accomplished in this direction. We have had difficulties in connection with the postal workers from time to time, and a good many disputes with various other branches of the civil service. It does seem to me that the only way in which we can have any freedom from friction, and in which we can develop efficiency, is by the establishment of something like joint councils. So far from undertaking to do anything of this nature in outside industrial establish-

ments, we have not even done anything in that direction with our own civil service, and I would like to have a statement from the minister as to what he proposes to do.

Mr. HEENAN: As my hon. friend no doubt knows, this vote arises out of the recommendations of the commission on industrial relations which sat in this country after the war. I understand that there was a very much larger sum originally granted for the establishment of these industrial councils, but apparently the idea was not very favourably received in the country. I cannot say at the moment just what I intend to do, because I have not had time to go thoroughly into the matter.

Mr. WOODSWORTH: That is a very unsatisfactory statement, it seems to me, to come from the minister. When there was a big trouble in the labour field in Canada just after the war, an industrial commission was appointed and considerable expense was gone to, and certain recommendations were brought in for the securing of better relations between employers and employees. Among the recommendations was one that there should be established in the industrial life of this country an arrangement known as joint councils, on which the representatives of the employees should sit jointly with the employers. We were told that this was to be a partial solution at least for our problems. The Department of Labour exists for this purpose; it is absolutely failing to do anything in a large way along these lines, and the minister tells us that he has not thought about the matter. Further than that—I want to put it very definitely—why can we not have joint councils in the postal service and in other departments of the civil service? We should begin at home. We ought not to slide this over year after year without making some definite effort to carry out the recommendations of that commission, and also to act to a certain extent at least as a model employer.

Item agreed to.

Technical Education Act, $4,000.

Mr. BRADY: What is the nature and scope of the Technical Education Act, and how is this money going to be applied?

Mr. HEENAN: There is a grant of $1,100,000 extending over a period of ten years, under which any province that takes up technical education receives a grant from the federal treasury on a fifty-fifty basis.

Mr. BRADY: To what extent did the province of British Columbia avail itself of this grant last year?

Mr. HEENAN: British Columbia got approximately $53,000.

Item agreed to.

Labour—salaries—	
To increase the salary of H. H. Ward, deputy minister of labour, to $8,000 per annum	$ 2,000
To provide for two clerks, grade 4, in lieu of two clerks, grade 3	540
To provide for one chief clerk	3,000
	$5,540

Mr. GARDINER: I notice in the estimates this year that the salaries of several of the deputies have been increased to the extent of $2,000, which is a pretty large increase. I think we should have some explanation as to why these increases have been granted.

Mr. HEENAN: There were three deputies whose salaries were increased. The Deputy Minister of Labour was one. He was $2,000 below the others, and this item is intended to equalize the salaries of the deputies.

Mr. GARDINER: How long is it since he was appointed?

Mr. HEENAN: I think he has been about five years deputy, and about fourteen years in the service.

Mr. BENNETT: Upon what principle is the increase made?

Mr. HEENAN: He is the deputy in the best department in the government, and in order to equalize the salaries we have made this increase.

Mr. BENNETT: There are other officials in the employ of the government who have not been so well treated. I think there should be some uniformity in the matter.

Mr. WOODSWORTH: It seems to me if we are going to pay salaries of $8,000 a year to the deputies we ought to get something more from the Department of Labour than we are getting at the present time. Before the present minister took office we had had year after year a steady decrease of the amount expended by this department. Not only that, but there was a limitation of the activities of the department. As a matter of fact this department is more or less of a sham to-day and is not doing the work it is designed to do. It is not to any large extent meeting the needs of labour in this country, and I think that

should be clearly recognized. I do not want to do anything that will still further put labour back, or put the department back, but if we have a Labour department I think it should be made worth while. There is no use having a full-fledged department with a large staff of officials unless we are going to get some service from it, and unless labour is going to get more than it is getting at the present time.

Mr. BENNETT: The chairman of the Civil Service Commission has the rank of a deputy minister and receives only $7,000. The Clerk of the Privy Council and the Deputy Minister of Labour both receive $8,000. Will anybody who has any understanding of the nature of the work of the two offices suggest that Doctor Roche should receive only $7,000, while these other gentlemen receive $8,000 each? The Clerk of the Senate has the rank of a deputy and receives $6,000. I do not know what the salary of the Clerk of the House of Commons is, but I suppose it is the same. Doctor Roche's salary has not been raised, while the salary of these other officials has been increased. Why should the government single out some people? Is it because their appointments go back to certain dates? I think we should have some answer from the government as to why these invidious distinctions have been made.

Some hon. MEMBERS: Carried.

Mr. HEENAN: I am talking about the Labour estimates now.

Mr. RINFRET: I think my hon. friend will agree with me that the Civil Service Commission comes rather under parliament than under the government.

Mr. BENNETT: It originates with the government.

Mr. RINFRET: As a member of the House, not as a member of the government, I say that I would be in favour of raising not only Doctor Roche's salary but those of the other two commissioners. The Civil Service Commission is rather under parliament than under the government.

Mr. ROSS (Kingston): Who then is going to take the initiative in procuring a raise? No ordinary member can move to increase salaries.

Mr. RINFRET: Nothing has been suggested in regard to this particular matter up to tonight, and perhaps I can gather from what hon. members are now stating—although the members present are not very numerous—that it is the impression of parliament that the Civil Service Commissioners are underpaid.

Mr. BENNETT: Certainly their duties are equally onerous with those of the deputies whose salaries have been raised.

Mr. LAVIGUEUR: Probably we can dismiss the Civil Service Commission and pay the $300,000 into the treasury.

Mr. RINFRET: We will come to the vote for the Civil Service Commission very soon, if the House will pass this item.

Mr. IRVINE: What is the entire cost of the Labour department?

Mr. HEENAN: $203,000.

Mr. IRVINE: Does the minister really think the work the department is doing is worth while?

Mr. HEENAN: The Labour department is the best department in the whole government

Mr. ROSS (Kingston): I do not think we should pass this item when we have a representative of the Labour party telling us how worthless that department is.

Mr. HEENAN: The labour men generally consider the Labour department is worth while and think it is doing good work.

Mr. GARDINER: The answer of the Minister of Labour is not satisfactory. We have asked for information as to the activities of this department and we have received no information. I think he should tell us about the activities of his department. We are not justified in passing the item until we get the information from him.

Mr. HEENAN: I thought it was intended more as a joke.

Mr. WOODSWORTH: I am not joking. I did not say the department was not worth while. I tried to say the department was not serving the purpose that such a department should serve. I think of the manifold activities of the Agriculture department, for example, and contrast them with the meagre work carried on in the Labour department. It is not my idea to lessen the work but rather to increase it. We ought to know what is being done and, more than that, what is proposed to be done in the extension of this department.

Mr. HEENAN: I thought most hon. members would have read the departmental report. We have an annuity branch, which I think is doing good work. We administer the Combines Investigation Act.

Mr. ADSHEAD: Did you do anything with the fruit combine?

Mr. HEENAN: We broke up the fruit combine in western Canada, and those implicated were fined $200,000. Only the other day I received a cheque for over $77,000 on account. The department also administers the Technical Education Act, the Industrial Disputes Investigation Act, the Conciliation and Labour Act, and we see to it that the fair wages policy is observed on government contracts.

Mr. FANSHER (Last Mountain): Has the department so increased its activities as to necessitate the extra expenditure for the deputy?

Mr. HEENAN: For many years the deputy was paid $8,000. We do intend to increase our activities. This year the administration of the Old Age Pensions Act will add to our responsibilities. We have also under consideration the desirability of extending the annuity system. Only those in contact with the Labour department really know what heavy responsibilities and long hours the deputy has.

Mr. GARDINER: The minister mentioned the fair wage policy in connection with government contracts. What steps does he take to see that proper wages are paid on such contracts?

Mr. HEENAN: We have fair wage officers to investigate and ascertain the prevailing wages in the district in which the contract is to be let.

Mr. GARDINER: Do these officers get information from the various departments when they let contracts?

Mr. HEENAN: All the departments apply to my department when they are about to let contracts.

Mr. ADSHEAD: What work is the department doing in connection with unemployment? I know in other years it has had a good deal to do.

Mr. HEENAN: The policy has not been changed. Under the order in council where the cost of looking after unemployment becomes too heavy for the local authorities, and the provincial government agrees to pay one-third, we also contribute one-third. As an indication that conditions of employment are improving, our expenditure has gradually diminished; in 1920-21 we expended $341,000, as against only $76,000 for the last fiscal year. At the outset this year very few applications came in from the municipalities and none at all from any of the provincial governments, but about a week ago applications were received from Ontario and Manitoba.

[Mr. Woodsworth.]

Mr. WOODSWORTH: The minister says the policy has not been changed. According to that, whenever municipalities make application should not they almost automatically receive assistance?

Mr. HEENAN: No, there must first be an investigation to ascertain whether the burden is too heavy for the municipal authorities to shoulder.

Mr. GARDINER: Is the minister of opinion that unemployment is really less than it was the year before? And in what trades is there unemployment?

Mr. HEENAN: The unemployment situation is greatly relieved. In 1922 the index basis was 78.9 as compared with 95.4 during the past year. That embraces all trades. In manufacturing it was 73 in 1922, and 90.7 in 1927, or an increase of 17.7. Some municipalities have actually written to say that they do not need assistance and that will indicate the improvement that has taken place.

Mr. GARDINER: There has been a big decrease in unemployment, but in 1926 there was still a good deal. Can the minister say what classes of business are mostly affected?

Mr. HEENAN: I cannot give that information now.

Item agreed to.

Public printing and stationery—salaries, including $500 to Fred Cook as secretary to the government printing and stationery committee, notwithstanding anything to the contrary in the Civil Service Act, $77,445; contingencies, $10,500.

Mr. WOODSWORTH: I notice in several of these items the phrase, "notwithstanding anything to the contrary in the Civil Service Act." We are steadily undermining the act and very definite reasons should be given for this.

Hon. FERNAND RINFRET (Secretary of State): This is an additional allowance paid to Mr. Fred Cook. He was regularly appointed to the Printing Bureau through the commission, but as secretary to the government printing and stationery committee he receives the additional grant.

Mr. GARDINER: He receives his ordinary salary and this is for extra services rendered?

Mr. RINFRET: Yes.

Mr. GUTHRIE: The Civil Service Act states that no civil servant may receive two salaries; hence the "notwithstanding."

Item agreed to.

Printing, binding and distributing the Revised Statutes of Canada, 1927, English and French editions, $125,000.

Mr. LUCAS: Would the minister tell the committee when the revised statutes will be ready?

Mr. RINFRET: That question was put to the Solicitor General yesterday and I do not quite recollect the answer.

Mr. GUTHRIE: We will not get them until next year.

Item agreed to.

Expenses under the Naturalization Acts, 1914, and 1920, $10,000.

Mr. WOODSWORTH: Would not that amount be largely done away with if we had the revision of the Naturalization Act?

Mr. RINFRET: We cannot have that this year. We will have to print new forms, and this item is to provide for the printing of forms used in applying for naturalization, and for the expenses before the courts. I may say that there is another item in addition to this in the supplementary estimates, amounting to a few thousand dollars. On account of the revision of the statutes we expect we will have to have new forms printed, and we are asking a larger amount. If we were changing the proceedings my hon. friend's remarks would be correct, but it is not the intention to do so this year.

Item agreed to.

Dominion—Provincial conference, $10,000.

Mr. WOODSWORTH: As I understand it, it was announced a year ago that the conference would be called to deal with the question of the reform of the Senate. Later on the question of the minimum wage was referred to the conference as well, and I think we should now be told what will be the scope of that conference.

Mr. RINFRET: I may say it is the intention of the government to send invitations to all provincial premiers for a conference this fall, and at the same time they will be asked to mention any matter with which they would like the conference to deal. Any hon. member who would like any question brought before that conference might well bring it to my attention.

Mr. GARDINER: I will take advantage of the minister's offer right now, and suggest that the conference discuss the possibility of eliminating the Senate.

Mr. RINFRET: I will not fail to see that that is included in the agenda, but of course as to the result I will make no pledge.

Mr. WOODSWORTH: Could we not have a statement of what the government propose to place on the agenda?

Mr. RINFRET: We are going to take up the matter as soon as the session is over, but I could not give my hon. friend any positive data at this time.

Item agreed to.

To provide for the appointment of Miss Yvonne Coutu as a stenographer, grade 2, at $1,260 per annum from April 1, 1927, notwithstanding anything in the Civil Service Act to the contrary.

To provide for a stenographer, grade 3, in lieu of a stenographer, grade 2.

To provide for a stenographer, grade 2, in lieu of a stenographer, grade 1.

To provide for the salary of a typist, grade 2.

To provide for the salary of a clerk, grade 3, $3,840.

Mr. WOODSWORTH: Perhaps the Secretary of State would be good enough to say what is the special case of Miss Yvonne Coutu?

Mr. RINFRET: I may explain that Miss Coutu is a lady in Ottawa who was for a number of years private secretary to Lady Laurier. She naturally has a very extensive knowledge of social life in Ottawa, and can be of great use to the department in that respect. We decided we might well ask the committee to pass this item.

Item agreed to.

Dominion—Provincial conference — further amount required, $15,000.

Mr. IRVINE: Why are these amounts separated?

Mr. RINFRET: Because the main estimates were prepared in January, and we found later the vote would not be large enough.

Item agreed to.

Expenses under the Naturalization Acts, 1914, and 1920—further amount required, $5,000.

Mr. MacLEAN (Prince): I would like to ask the minister if any reduction will be made in the cost of naturalization to those Canadians who went over to the United States

and have since returned. A great many have gone away from the maritimes, and in order to find employment in the United States they have had to take out naturalization papers; when they return here they find that they have a hard road to travel before they can become Canadian citizens again, and I think we should make it as easy as possible for them.

Mr. RINFRET: There is nothing we would not do for the maritime provinces this year. The matter is under consideration, but I understand it was taken up at the Imperial conference, and there might be a little difficulty. If we can overcome that you may be sure that your friends will be given every possible attention.

Item agreed to.

Adjustment of war claims—Secretary of State, $25,000.

Mr. ADSHEAD: There is an increase of over $8,000 which I would like explained.

Mr. RINFRET: I believe the main reason for the increase is because we require a little more money in that branch of the service than was provided last year. Part of that $25,000 is to cover the deficiency of last year. There is really no increase, and we may not require the whole amount.

Civil Service Commission—salaries, $198,535; contingencies, $45,000.

Mr. IRVINE: I wish to ask the minister one or two questions in regard to certain classes of civil servants. I am not sure that I am bringing this matter up on the proper item, but I had to bring it up some time and I may as well do it now. There was a reclassification, I understand, in 1919 when certain senior employees were classified as senior clerks at a minimum salary of $1,320, and a maximum of $1,680. Then there was another reclassification in 1924, when the senior employees were divided into two grades —grade III with a minimum salary of $1,260 and a maximum of $1,500, grade IV with a minimum salary of $1,500 and a maximum of $1,800. Now the reclassification of 1927 is offering I think, an increase of $120 to grade III. The point I want the minister to give attention to is this: When the fourth grade was formed there were a great many senior clerks who were receiving almost the maximum under grade III but they were left there and were not passed on to grade IV, and the result is that they do not receive any of the increase which is being given this year. I should like the minister to give me an explanation in regard to that and to indicate if there is any way to meet that situation.

Mr. RINFRET: We are dealing now with the vote for the salaries of the members of the Civil Service Commission. Perhaps we might pass this item, and then go on to deal with the subject of the revision of civil service salaries.

Mr. IRVINE: I do not want to make this speech again, so I hope my hon. friend will remember what I have said.

Mr. RINFRET: I will memorize every word that my hon. friend has said so that he need not repeat his speech.

Item agreed to.

CIVIL SERVICE SALARIES

Civil Service salary revision—to provide for flat increases to the civil service, both inside and outside, $2,700,000.

Mr. RINFRET: I have been asked to make a short statement about the revision of civil service salaries, and I desire to do so now. I may say that before recommending this revision to the House, we had to take into consideration the three main aspects of the question. One was the total sum of money that should be expended; the second was the classification of the civil service as it now exists; and the third was the previous increases which have taken place since 1924. The high cost of living bonuses were withdrawn in some cases, they were partly absorbed or withdrawn in others, and in still other cases they were prolonged on a scale which provided for gradual disappearance. The committee dealing with the revision of salaries did not think it should recommend any increases without taking into consideration the absorption or removing of the bonus in certain cases, and the retention of the bonus in other cases. The recommendations of the associations of civil servants all over the country which met us on this matter, and the recommendations as well from the Civil Service Association in Ottawa, simmered down to a proposal that there should be a flat increase, instead of having increases varying according to the different classes in the service. Other proposals were considered. Some argued that the increase should go only to the lower classes because they needed the help more. Other representations came to us rather in the spirit that we should recognize the special knowledge and aptitude of technical and other specially qualified men of the

service. I wish to point out at the start and to have it well understood, that we are not coming with a proposal which sprung from the earth, if I may use that expression, but that we had to consider quite a number of proposals before we adopted the one that I now lay before the committee. However, the general sentiment of the associations of the civil service was to the effect that a flat increase would be the more satisfactory to the civil servants—a flat increase placed very much on the same basis, I would say, as that which obtains in labour unions, where no difference is made in the treatment accorded but where the same salary or wage applies to every man in the one class irrespective of the quantity or quality of work that he performs.

Mr. BENNETT: May I make a suggestion to my hon. friend? It is a very thin House, and I happen to know that there are a very large number of members who would like to hear the minister's statement, and I should not like him to be asked to repeat it tomorrow. Would it not be desirable therefore, to go on with something else so that the minister can have a full House, or a full committee, to hear what he has to say, and thus save him the trouble of making a second speech?

Mr. RINFRET: I thank my hon. friend for his suggestion that a large House is waiting to hear me.

Mr. BENNETT: That is a fact.

Mr. RINFRET: Then I will ask that the item stand.

Item stands.

Mr. SPENCE (Parkdale): Does not the disposal of waste paper come under your department?

Mr. RINFRET: I might tell my hon. friend that when a motion is made for an item to stand that ends the discussion. The matter of the waste paper contracts could not possibly come under the item of salaries for the Civil Service Commission.

Mr. SPENCE (Parkdale): It always used to come in under the estimates of the Minister of Labour. I have been watching the items right along because I should like to have some questions answered and to obtain some information.

Mr. RINFRET: The estimates to which my hon. friend refers have been passed.

Mr. GUTHRIE: What department does the matter come under?

Mr. RINFRET: The Printing Bureau.

Mr. GUTHRIE: Can we not refer back to an item in the estimates concerning the Printing Bureau?

Mr. RINFRET: I am in the hands of the committee, but I would submit that the Printing Bureau estimates have been passed long ago.

Mr. GUTHRIE: I know that, but it is not an uncommon thing to have a reference back.

Mr. RINFRET: All right, if that is the will of the committee.

Mr. GUTHRIE: It will only take a moment.

Mr. SPENCE (Parkdale): I simply wish to get some information. Have you any information as to the price you got for waste paper during the last five years?

Mr. RINFRET: My hon. friend will appreciate the fact that I had my officers with me about half an hour ago; they are gone now. If my hon. friend would ask a general question about this contract, I am in a position to give him the information, but if he wants figures I cannot give them to him now.

Mr. SPENCE (Parkdale): Has it been customary to advertise for tenders?

Mr. RINFRET: Yes.

Mr. SPENCE (Parkdale): Did you advertise for tenders this year?

Mr. RINFRET: I did, and I will explain under what conditions. This question is familiar to me because—

Mr. SPENCE (Parkdale): And to me too.

Mr. RINFRET: —because it occupied my attention for a while. When I came into the government last fall, it was represented to me that Mr. Betcherman, who had the waste paper contract at the time, had lost quite a lot of money in trying to perform the work and pay the amount that he had tendered at some two years ago. I would remind my hon. friend that this is a very big contract. The tender is for a flat amount, and it is a kind of gamble for the tenderer as to the amount of paper he will collect. He has to collect the waste paper every month, or oftener, from each department, and it is therefore very difficult to estimate the quantity he will collect, so it has been the custom for a number of years to ask the tenderers to submit a flat amount, the contractor taking

his chances on the quantity of paper the contract will bring. In October last the Betcherman Company had not been able to meet their payments for I think three or four months, and they came to the department and made very strong representations to me that they be relieved of the contract. I was not of the opinion that we should do that, but at the same time I appreciated the fact that this was a one-sided contract, as I said, and the contractor being on the losing side by a very heavy sum I thought perhaps we might be able to make an arrangement with the company. I found on looking up the file that the same situation had presented itself in June or July, 1926. At that time the department, expecting that the Betcherman Company would not be able to carry on, asked for tenders from several firms, but no action was taken on the tenders then called for. In October last the Betcherman Company offered to carry on at a higher price than the highest tender put in in June, provided the contract would be renewed at that figure. At the expiration of the contract, I believe it was on April 1st, the contract was renewed with the Betcherman Company at a figure that was higher than the highest tender obtained by the department in June. My hon. friend will pardon me if I make this statement in a rather crude way. I crave indulgence for having to go into this rather involved matter without the aid of my officers, but I think I have stated the situation fairly.

Mr. SPENCE (Parkdale): There are some people who are interested in the disposition of this paper who would be willing to make a tender. In the last five years I understand that the department got from $26,000 to $27,000 a year for waste paper.

Mr. RINFRET: It would be around that figure.

Mr. SPENCE (Parkdale): And last year over $20,000. Then this year you give the Betchermen people the contract for two years at $13,000 per year thereby losing $12,000 or more to the country. Is not that right?

Mr. RINFRET: That is not the case, Mr. Chairman. During the war years this contract, which is a one-sided contract—do not let us lose sight of that fact—ran very strongly against the government because the amount of paper collected amounted to a small fortune, and I know of people who made a fortune by obtaining that contract at a certain figure. But the collection of waste paper in more recent years has not been profitable. I do not remember the name of the company that had the contract before Betcherman, but I am told that they lost heavily, and the Betcherman company also lost heavily in the last eighteen months. We take the stand that it is not fair that any man should lose money on a contract with the government. I do not like this contract myself, and I will tell my hon. friend that I took steps to see if we could not have the contract on a different basis.

Mr. CHAPLIN: You would rather have a contract that the government would lose money on, is that the idea?

Mr. RINFRET: I do not want any kind of contract such as my hon. friend's friends had when they were in power. I want to keep in the mood of the committee as I find it to-night, but I can tell my hon. friend that during the years when his friends were in power those who had the contract made an awful lot of money. During the last two or three years, however, there has been less waste paper collected in the different departments and the contractors have lost money. We thought it was only fair to give the company a chance to recoup in the next two years at a price which, although lower than that obtained some years ago, was still higher than the highest tender we received in June last.

Mr. SPENCE (Parkdale) I know there are five people in Ottawa and some people in Toronto who would be willing to pay more than you are getting. I think it is only fair that tenders should be asked for and the public given a chance to tender, but I shall not press the matter any more.

The CHAIRMAN: Am I right in understanding that item 535 stands?

Mr. GUTHRIE: Yes.

Mail Subsidies and Steamship Subventions, $804,675.

Mr. MALCOLM: Mr. Chairman, there is a long string of items from No. 161 to No. 208 inclusive for mail subsidies and steamship subventions. There are no increases in these items; with the exception of item 194. This was due to changing from a part-time service to a full year service, and that is the only increase in the whole list. The large decrease shown in the total vote this year as compared with last year is accounted for by taking out of the mail subsidies the $340,000 which was in there last year for the West Indian service, so the total estimate is $804,675 this year, as compared with $1,139,880.41 last year. I would ask the committee to take up these items and pass them en bloc.

Mr. FRASER: I see there is a total decrease of $7,450 in the two items 166 and 167. How is that accounted for?

Mr. MALCOLM: The claims were not in when the Auditor General closed his books, and they afterwards appeared in the supplementaries which went through recently.

Item agreed to.

The Canada Grain Act, administration of, $1,504,600.

Mr. EVANS: Is it proposed to make Moose Jaw a grain inspection point?

Mr. MALCOLM: Yes.

Mr. EVANS: I am rather wondering why that is being done, because the farmers have never asked for it, and it will mean another overhead expense on the grain trade. So far as I know, no organization has ever asked for this, and by all accounts it is going to be quite an inconvenience in many respects. It will mean, I suppose, something like a quarter of a million dollars added to overhead expense. It was not warranted, and the need of it was not felt.

Mr. MALCOLM: My hon. friend will appreciate the fact that as a new minister I cannot explain the need for the item, any more than that I believe representations were made to the government by the people of Moose Jaw, and the order in council was passed creating Moose Jaw an inspection point on January 5, 1927. The estimated cost of this is $120,000 per year. It is rather difficult for me to make a speech on this item, because I am not familiar with the benefits to be derived from creating Moose Jaw an inspection point, but from what I have learned from the officers of the grain board I do not think the expense is going to be out of line with the benefits to the people at that point.

Mr. JELLIFF: Referring to the grain board, there has been a great deal of complaint in the west that no appeal is permitted from the judgment of the inspector as to damp grain, a matter which affects the western farmer to a pretty large extent. Will the minister tell me if it is the purpose to introduce a new practice and to provide that appeals will be allowed on damp grain?

Mr. MALCOLM: It is the opinion of the department, which opinion is being conveyed to the Board of Grain Commissioners, that the act does not in any way preclude them from having a re-test on damp grain as well as on grade, and I intend consulting with one of the grain commissioners on that point and recommending that an appeal be allowed.

Mr. JELLIFF: The reason I asked the question was that I understood the grain board was unfavourable to permitting such an appeal.

Mr. MALCOLM: I think my hon. friend has been misinformed. I understand the chairman of the grain board did not believe that an appeal should be allowed, but that the other members of the board are quite satisfied that appeals should be allowed.

Mr. JELLIFF: Is there to be any attempt to reorganize the grain standards board which fixes commercial grade? Under the organization of the grain standards board as it stands to-day there are about ten representatives from Manitoba, seven from Saskatchewan, and only two from Alberta. Taking into account the proportion of grain produced from these three provinces, it looks to me as if the allocation of membership should be vitally changed. Both Saskatchewan and Alberta to-day are producing a whole lot more grain than is produced in Manitoba. I understand also that the Manitoba representatives are largely members of the Winnipeg Grain Exchange, and organizations of that kind. As far as Alberta is concerned I doubt whether they have a pool member on that board. Will the minister not do something about reorganization?

Mr. MALCOLM: I received representations from some of my hon. friend's colleagues from Alberta, and I promised that I would take this matter up with the board after the first meeting.

Mr. GARDINER: Does this vote include a sum of money for a laboratory?

Mr. MALCOLM: The laboratory work at Winnipeg is included.

Mr. GARDINER: How much is supposed to be expended in that regard?

Mr. MALCOLM: I am sorry that we have not complete figures of the work we are doing, but whatever will be adequate is going to be supplied. We are paying bills and passing orders for equipment every day.

Mr. GARDINER: What kind of building have you for that laboratory?

Mr. MALCOLM: I have not seen the building, but I understand from the board, which recommended the building, that it is quite adequate for the requirements. Further than that I cannot say.

Mr. SPENCER: I should like to draw attention to the very unsatisfactory state of the moisture testing machines that are being used by the elevators to-day. These testing machines when first brought out were supposed to be a very valuable asset to the grain growers. To-day we are realizing that they are not satisfactory. You cannot get guaranteed results from them. For instance, you can take three or four samples from the same bin, have them tested by different machines and get different results in each case. I have sent three tests, one to Winnipeg, and one to Edmonton, and one to the local elevator, and got three separate results, 13.80, 14.40 and 15½ per cent moisture from wheat from the same bin. I draw attention to this because it is the farmer who has to pay for the unreliable testing machines.

Mr. MALCOLM: It is a difficult and technical problem. The testing laboratory and Doctor Birchard are working on that at the present time. I may say that I have had some personal experience in the testing of moisture in lumber, and I must admit that we had the same trouble, but we constantly improved the devices until we had them almost perfect, and I believe good work is being done now in improving these grain moisture testers.

Mr. GARDINER: I do not think the hon. member was complaining of the grain commission, but rather of the tests made by the local elevators. There is a machine on the market now for that purpose. The situation is simply this; that those machines would be fairly good if they were worked by men who knew something about the business, but the men who are doing the testing have not had the experience. The farmer who takes the grain to those elevators wants to see it tested to satisfy him in his own mind that he is getting a proper grade. The different methods of testing by the different operators bring different results with the same class of grain, consequently the farmer is very much dissatisfied. As far as those machines are concerned, I think the Board of Grain Commissioners would do well to order them thrown out of the elevators, put under a train and run over. They are causing a great deal of dissatisfaction. It would be better for the farmers to depend upon the inspection department to give them the proper test. I trust the minister will take this matter under consideration, because under present conditions the test is worse than useless. Would the minister tell me the total income from this department, the expenditure, and the surplus?

[Mr Malcolm.]

Mr. MALCOLM: The total vote for this year is $1,504,600, or a decrease of $275,400. The main estimates are $1,430,000, the supplementaries $350,000. The requirements estimated by the board are $1,654,000. We have reduced this amount by $150,000. We expended in the ten months of last year $1,363,000. Of this amount, however, $147,000 was for accounts of 1925-26 paid in 1926-27 owing to shortage of funds, leaving for 1926-27 an expenditure of $1,216,000. We estimate the expenditure for February and March will be $425,000, which will make the expenditure for the past year $1,640,000.

Mr. GARDINER: What is the income?

Mr. MALCOLM: For 1925-26 it was $1,642,054.

Mr. JELLIFF: Is there included in that item the amount paid to the Board of Grain Commissioners by the public terminals on account of overages for the crop year ending 1926?

Mr. MALCOLM: For the past year the gross surplus was $410,832.

Mr. GARDINER: That surplus, I take it, is on the administration of the Grain Act in regard to inspection.

Mr. MALCOLM: For operation and maintenance of elevators.

Mr. EVANS: Who is in charge of the laboratory at Winnipeg?

Mr. MALCOLM: Dr. Birchard.

Mr. EVANS: Are reports published from time to time?

Mr. MALCOLM: I understand so, as he makes progress.

Mr. LUCAS: Has Doctor Birchard any help?

Mr. MALCOLM: I am sorry I cannot give my hon. friend the full staff. The temporary staff Doctor Birchard has now, which he intends to supplement, consists of a chemist in charge at $4,600 a year, paid from civil government salaries; four assistant chemists, one miller, four helpers and one stenographer.

Mr. GARLAND (Bow River): I do not think the minister is yet convinced of the evil nature of the practice of leaving in the hands of local warehousemen moisture testing machines with power to test farmers' grain. There is no question that there is in many cases deliberate deceit on the part of those men in dealing with the grain. As a result the question of moisture-tested grain is causing

a great deal of dissatisfaction to everybody in western Canada. The member for Acadia recommended that the Board of Grain Commissioners should seriously consider the abolition of the use of these small lamp machines by local warehouses. They serve no good purpose for no accurate test can ever be made with them, and in the majority of cases I doubt whether even in the hands of an expert the results would be as satisfactory as with the electrical apparatus in the laboratory and inspection plants. Therefore I add my word to that of the member for Acadia in advising the minister that he will serve the interest of the grain growers best by forbidding the use of these small testing machines by the local warehousemen.

Now I come to another point. Early in the crop season this year, evidently convinced that the quality of the grain was not as serious as first anticipated, the Board of Grain Commissioners raised the standard of the moisture test required to 14.4. That gave a certain amount of relief and was of some benefit to the farmers. But at the same time the board made announcement which puzzled the farmers exceedingly, and of which an explanation should certainly be given, namely, that although the farmer would have his grain graded tough if it was more than 14.5, yet the board would permit the terminals to warehouse grain carrying 15 per cent moisture. That is an injustice. If the grain was in such condition as to stand warehousing, then according to all the laws of logic it should have been graded dry or standard grade. Instead of that the elevators got an enormous advantage over the unfortunate farmers of western Canada when their grain graded more than 14.5, and they lost hundreds of thousands of dollars. I would urge the minister that unless he is willing to sacrifice the prestige of the Board of Grain Commissioners, he should impress upon the chairman at the earliest possible opportunity the importance of a frank and clear statement being placed before the public, especially the public of western Canada. I hope the minister will take this into consideration, because he knows only too well that the continued satisfaction of our western farmers with the Department of Trade and Commerce will largely depend on the sympathetic attitude of the department in the case that I have mentioned.

Mr. ROSS (Moose Jaw): I should like to say, Mr. Chairman, that the Board of Grain Commissioners have given too much consideration to the view put forward by the member for Bow River. As a matter of fact the better grain growing districts of western Canada are losing by having a higher moisture content allowed in the straight grade. The damper grain from the northern portion of Alberta, southeastern Saskatchewan, and the greater portion of Manitoba is coming in as straight grade, and thereby cutting down the price of our Canadian grain in the markets of the world.

Mr. GARLAND (Bow River): Absolute rubbish. I challenge the hon. gentleman to state a single fact that will prove the statement he has just made.

Mr. ROSS (Moose Jaw): The people buying grain in the markets of the world are not foolish enough to pay for water; and when you raise the moisture content you raise the amount of water that is allowed in the grade. That is the proof. The dry grain, or low moisture content grain, is grown on what is known as the bald-headed prairies, down in the southwest portion of Saskatchewan, part of central Saskatchewan, part of central Alberta the southeastern part of Alberta, and a small portion of southern Manitoba. They should be able on account of that dry grain to get a premium. As a matter of fact the grain today coming from these districts is mixed with damper grain from Alberta. It goes on the Liverpool market with the result that the whole grade is below what it should be and we receive a lower price than we ought to get. I should like the Minister of Trade and Commerce to take up the matter with a view to having the moisture content lowered instead of raised.

Mr. SPENCER: I support the hon. member for Bow River in his criticism of the moisture testing machines, particularly in respect to their use by local elevator men. These machines are so unreliable that samples taken from the same bin will often give different results. The minister will appreciate the seriousness of this. A difference of eight cents per bushel between dry and tough grain frequently amounts to between $300 and $500 to each farmer who has to bear a heavy loss. This is the reason for the discontent that prevails in regard to these machines.

Mr. MALCOLM: The question of testing grain for moisture is an important one. I have had some experience in the matter and it is difficult for the non-technical man to figure the relative humidity in grain, even when the tables are made out mathematically. There is a great deal of difficulty in the point he raises, but the trouble is to get a clever enough man to work out the humidity. There are however small machines which are easier

of operation than the present type. I can speak with some assurance on this subject, of which I have personal knowledge, and I will discuss it with the grain commissioners and give them the benefit of the experience I have had.

Mr. JELLIFF: Has the minister any returns submitted by the Board of Grain Commissioners on overages from the public terminal elevators for the crop year 1926? I do not believe that report was received until a short time ago and it would be interesting to discover why the Board of Grain Commissioners did not collect on these overages.

Mr. MALCOLM: I have a long statement here which I will send to my hon. friend.

Mr. JELLIFF: Perhaps the minister had better put it on Hansard.

Mr. MALCOLM: I will hand it to Hansard.

The statement is as follows:

Annual weigh-up of grain in public terminal elevators, at Fort William-Port Arthur, and Vancouver and interior terminal elevators at Calgary, Moose Jaw, Saskatoon and Edmonton, July 31st, 1926.

Summary of grain, and total value of same, comprised in that portion of surplus which is to be delivered to the Government under section 87 (4), Canada Grain Act, 1925.

Elevator Co.	Kind of Grain	Bushels	Value	Total Value
			$	$
Can. Pac. Rly. Co.	Oats	2,474·04	988 09	
	Barley	1,677·04	960 61	1,948 70
Fort William Elev. Co.	Wheat	4,872·00	7,121 63	
	Oats	568·08	238 34	7,359 97
Canadian Government	Wheat	65,438·00	96,222 71	
	Oats	15,359·09	6,355 46	
	Barley	7,655·45	4,554 20	
	Flaxseed	6,331·54	12,713 22	
	Rye	2,072·13	1,968 76	
	Mixed Grain	1,160,480 lbs.	7,253 00	129,067 35
Sask. Co.-op. Elev. Co.	Wheat	2,344 50	3,740 01	
	Oats	991·31	456 48	
	Barley	224·23	134 85	
	Flaxseed	149·36	201 78	
	Rye	106·54	110 31	4,643 43
Alberta Pacific Grain Co.	Wheat	865·04	1,365 54	
	Oats	3·21	1 50	
	Mixed Grain	9,398 lbs.	93 98	1,461 02
Vancouver Harbour Commissioners	Wheat	21,874·10	32,314 00	
	Oats	194·06	75 76	
	Barley	27·24	16 67	32,406 43
Totals	Wheat	95,394·04	140,763 89	
	Oats	19,591·11	8,115 63	
	Barley	9,585·00	5,666 33	
	Flaxseed	6,481·34	12,915 00	
	Rye	2,180·11	2,079 07	
	Mixed Grain	1,169,878 lbs.	7,346 98	176,886 90

Fort William, Ontario.

E. A. Ursell,
Statistician.
Board of Grain Commissioners.

Item agreed to.

Honorary Advisory Council for scientific and industrial research, $170,000.

Mr. MALCOLM: This is one of the most important items in the whole Department of Trade and Commerce. We are asking for a small increase this year. It had been my intention in conjunction with the Minister of the Interior to ask the House this year for a substantial sum for the research council.

[Mr. Malcolm.]

Many of the older members will recall a speech made by a former representative of London in this House, Mr. Hume Cronyn, who in 1921 discussed the need of industrial scientific research. At that time the member for Prince, now Prime Minister (Mr. Mackenzie King), spoke on the same subject, which I believe is of interest to the whole Dominion from every point of view, industrial, agricultural, mining, fishing and forestry. It affects

all parts of Canada and is of interest to every Canadian who is anxious to see his country develop. Every man in Canada, whether he belongs to the maritime provinces or British Columbia; whether he is engaged in fishing or mining or agriculture, or in the manufacturing phases of the development of our raw materials, will, I am sure, support us if at any time we should submit a substantial vote for industrial scientific research. It is the avowed policy of the government to prepare plans during the coming year and bring down at the next session a considerable vote to enlarge the work to an extent which heretofore has not been contemplated.

Mr. ROSS (Kingston): It is unfortunate that this matter should be discussed at this hour of the morning. There are one or two questions I want to ask the minister. In what way are the subjects to be taken up by the various students? Who allocates the various branches of investigation—the president of the council? Or is it a matter of application?

Mr. MALCOLM: I presume the board will have to do that under the president.

Mr. ROSS (Kingston): It has struck me that some of this research work is purely academic, going perhaps a little beyond the scope of industrial investigation. It seems to me that where you have a scientific committee engaged on a subject its findings should prevail. In the fisheries department a good deal of labour has been lost through lack of coöperation.

Mr. BENNETT: I certainly think that this is a matter which the full committee would like to discuss. The Minister of the Interior the other night discussed it at some length and I pointed out then that it was useless for ministers to talk about research so long as there was no coöperation. He made a complete statement on that occasion and now the Minister of Trade and Commerce has something to add. Then the universities and the research council and the provinces all come in. It is this lack of coöperation that is responsible for waste of public money. Industrial research should be specific and not theoretical, as pointed out by my hon. friend from Kingston. The Minister of the Interior did say that we should have a large sum for research. But what is the sense of talking about one department, then another department, then the universities and somebody else, when there should be one department handling these estimates covering the whole matter, in order that there may be intelligent use of that money with the coöperation of the officials appointed for that purpose?

Mr. MALCOLM: I have listened very carefully to my hon. friend and I have a copy of Hansard before me containing his previous speech on this subject. I have looked into it, and in reviewing the report of the honorary advisory council I find they have this to say of coöperation:

> It has always been the policy of the research council to co-operate in every possible way with the various departments of the federal government and to avoid duplication of effort. The research council is not a body acting in antagonism to the government departments, where research work is done, but is intended to be a coördinating agency for the purpose of the promotion and development of research wherever possible throughout the whole of Canada and, to this end, to coöperate with and assist scientific divisions of the government service in every possible way in furthering the work which they are in a position to undertake.

Mr. BENNETT: That sounds nice.

Mr. MALCOLM: I must say to my hon. friend that it does sound well; it sounded well to me when I read it. It seems that if the council has not coöperated to the extent which they should, it is not because that was not its intention. This is a new subject to me, and I think the committee is tolerant with a new minister; I have not given it the consideration I should, but I will say that between now and the time when I again present my estimates, I can assure my hon. friend that any plan which is brought down will have regard to the coöperation of all these branches.

Mr. ROSS (Kingston): In regard to the subjects taken up and worked out by the students, I never see anything about the conclusion. Just as an example, take the diseases for fur bearing animals; they are considered one year then dropped for another, while the research should be carried on until a conclusion is reached. A student in a university must carry on an experiment to a conclusion, but we have never heard of a conclusion being reached except in one or two things. I would like the minister to look into that.

Mr. McGIBBON: I want to ask the minister if he will not promise us that in the coming year he will buck up enough courage to put a real amount in the estimates in order to facilitate this work, which I heartily support. The minister knows I have supported it in the past and I hope to do so in the future. My only criticism is that the government has not sufficient courage to come out and do for the country that which should be done.

Mr. BENNETT: In which department?

Mr. McGIBBON: I don't care which department. I do feel that research work in this country is of so much importance and so much

hinges on it that if Canada is ever going to take its place among the nations of the world our great mineral resources must be exploited in accordance with the very best methods. I realize the handicaps the minister and the government are under, because I know that in times past this House has voted substantial sums for this purpose, which have never gone through. I ask the minister to promise us that next year he will put a sum in the estimates, say two or three millions of dollars, for this purpose, and let him for once throw himself upon the tender mercies of the opposition, if he cannot get his own party to help him, and see if we cannot assist him over that last hurdle.

Mr. MALCOLM: I think my hon. friend must have been out of the chamber when I made my statement at the beginning. I said we were making plans to bring down a substantial estimate next year; I warned the House of it.

Mr. McGIBBON: What does, "a substantial item" mean?

Mr. MALCOLM: It will be sufficient for the first year.

Mr. McGIBBON: I do not think anything less than two or three million dollars will be substantial, and I will back up the minister in such a proposal.

Item agreed to.

Prince Rupert elevator site, $165,000.

Mr. GARDINER: Is this to pay for the site on which the elevator now stands?

Mr. MALCOLM: Yes, it is a revote. The amount is payable from the Dominion government to the Grand Trunk Pacific Railway, now the Canadian National Railway.

Mr. BENNETT: This is the property which is leased for $100 per year, including the site?

Mr. MALCOLM: Yes.

Mr. BENNETT: And the elevator is built upon railway property. Now it is being turned over to the elevator company, and the $165,000 is a bookkeeping item?

Mr. MALCOLM: Surely.

Mr. BENNETT: And the rental is $100?

Mr. MALCOLM: Yes, it is rented to the pool for $100.

Item agreed to.

Mail subsidies and steamship subventions—Vancouver, B.C., and the British West Indies, steam or motor service between, $36,000.

[Mr. McGibbon.]

Mr. GARDINER: Is this a new subvention? If so, what are the particulars?

Mr. MALCOLM: This is a new subsidy, one of the best arrangements we possibly could have made. It is only costing us $3,000 per month, and is probably one of the cheapest foreign subsidies we have been able to secure. It has been backed up by all the industrialists of Vancouver because it is giving the shippers of that city an opportunity to take advantage of the West Indies market. We are shipping very great quantities of canned goods, lumber and other products from British Columbia to the West Indies, and we are very glad to recommend this appropriation to the committee.

Item agreed to.

National Defence—memorial to those citizens and residents of the United States who enlisted in the Canadian forces and lost their lives in the late war, $10,000.

Mr. WOODSWORTH: I should like to know what this item is about.

Mr. RALSTON: As the particulars show, it is for the purpose of erecting a memorial to the citizens of the United States who enlisted in the Canadian forces and lost their lives in the late war. A memorial is to be erected in the Arlington national burying ground in the United States—the national soldiers' burying ground.

Item agreed to.

To provide for the purchase of rural mail boxes, $35,000.

Mr. McGIBBON: I take this opportunity of asking the Postmaster General if he has decided on a type of rural mail box and if he has awarded the contract for the same?

Mr. VENIOT: No, I have not. I expect within the next five weeks to be in a position to begin the distribution of some of these boxes.

Mr. IRVINE: I would ask the Postmaster General if he has decided to give us a rural mail route from Rimbey to Lockhart in my constituency?

Mr. VENIOT: I could not say from memory. I know that we have quite a number of applications, and I feel that western Canada should get a little more attention than it has got in the past in the way of rural routes. That is why there is a vote of $35,000 in the supplementary estimates. That will give us about 27,000 boxes.

Mr. McGIBBON: I should like to congratulate the minister on his action in this regard.

Mr. GARDINER: I would ask the Finance minister how long we are going to continue sitting.

Mr. ROBB: We might clean up a few more items. I am sure hon. members are anxious to have prorogation as soon as possible. I am getting pretty tired myself but I think we might put through a few more items.

Mr. GARDINER: We have just passed an item to erect a memorial in the United States for United States citizens who fell while serving in the Canadian forces. At the rate we are proceeding, we will need a memorial for every member of this House.

Mr. BENNETT: The committee had better rise, it is half-past three o'clock.

Mr. ROBB: Very well, I am willing that the committee should rise and report progress.

Mr. GEARY: Before the committee rises may I ask the Postmaster General if he could give me information readily as to the profits or loss on the carrying of newspapers?

Mr. BENNETT: He gave that information the other day, and it is in Hansard.

Mr. VENIOT: I may say that 90,000,000 pounds of newspapers and periodicals were carried at a cost of $8,500,000. The revenue was only $1,500,000, so there is a deficit of $7,000,000.

Mr. GEARY: That being the case, is it not true that the reduction in postage on newspapers provided for by statute the other day is in reality, to the extent of the loss caused thereby, a bonus paid by the country to the newspapers taking advantage of the reduced rate?

Mr. VENIOT: Yes.

Item agreed to.

Mr. ROBB: I move that the committee report progress and ask leave to sit again.

Mr. SPENCER: May I say to the Postmaster General that I was informed by his department a year ago that it was their policy to create two new rural mail delivery routes each year for each federal constituency?

Mr. CHAIRMAN: I am very sorry, but there is a motion before the chair to report progress.

Progress reported.

PRIVATE BILL

FIRST AND SECOND READINGS

Mr. GEORGE W. McPHEE (Yorkton) moved that Bill No. 337 (from the Senate), for the relief of Joseph Albert Georges Lachance, be read the first and second time.

Motion agreed to, and bill read the first and second time.

Mr. McPHEE moved the third reading of the bill.

Mr. DENIS (Joliette): I object to the motion for third reading at this stage.

Mr. PARENT: If this bill stands it has no chance to come back again.

Mr. GUTHRIE: But it stands.

Mr. SPEAKER: It must be by unanimous consent.

Motion stands.

On motion of Mr. Robb the House adjourned at 3.40 a.m., Thursday.

Thursday, April 14, 1927

The House met at eleven o'clock.

PRIVATE BILL

THIRD READING

Mr. GEORGE W. McPHEE (Yorkton): By leave of the House I move that Bill No. 337 for the relief of Joseph Albert Georges Lachance be read a third time.

Mr. SPEAKER: I understand this measure is not opposed. It came up from the Senate last night and was given first and second readings.

Motion agreed to and bill read the third time and passed.

CHIEF ELECTORAL OFFICER

APPOINTMENT OF JULES CASTONGUAY AS SUCCESSOR TO COLONEL O. M. BIGGAR

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to move, seconded by the hon. leader of the opposition, the motion which I presented to the House on April 12, and which reads:

> That, in conformity with the provisions of Bill No. 260, An Act to amend the Dominion Elections Act which was passed by both Houses of Parliament, Jules Castonguay be designated as the successor of Oliver Mowat Biggar as Chief Electoral Officer.

I may say that I have spoken with my hon. friend, the leader of the Progressive party concerning the motion and I am now in a position to state that it appears to meet with the cordial approval of all parties in the House.

Motion agreed to.

DIAMOND JUBILEE OF CONFEDERATION

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

Resolved that as Canada is approaching the sixtieth anniversary of her founding as a Dominion, the parliament of Canada place on record its deep appreciation of the achievements of the fathers of confederation, and with united voice express its faith and confidence in the future of this our country, and its development as a member of the British commonwealth of nations, owing allegiance to His Majesty the King.

It is the earnest wish of parliament that the diamond jubilee celebration, for which plans are now being rapidly matured, shall commemorate appropriately and enthusiastically the accomplishment of confederation and the subsequent progress of the Dominion. We trust that this commemoration will lend added inspiration to the patriotic fervour of our people, and afford a clearer vision of our aspirations and ideals, to the end that from sea to sea there may be developed a robust Canadian spirit, and in all things Canadian profounder national unity.

Yesterday I handed a copy of this resolution to my hon. friend, the leader of the opposition (Mr. Guthrie) and to my hon. friend the leader of the Progressive party (Mr. Gardiner). The leader of the opposition was kind enough to say that he would be pleased to second the motion. I know from the leader of the Progressive party that he would be equally ready to do so. The resolution requires nothing in the way of explanation or amplification. It speaks for itself. A similar motion will be presented in the other chamber to-day. We may, I think, count upon the voice of parliament being unanimously expressed with respect to its representations and the patriotic purpose the resolution is intended to serve.

Motion agreed to.

RAILWAY BELT WATER ACT AMENDMENT

Hon. CHARLES STEWART (Minister of the Interior) moved for leave to introduce Bill No. 339 to amend the Railway Belt Water Act.

Motion agreed to and bill read the first time.

Mr. STEWART moved the second reading of the bill.

Mr. GUTHRIE: What is this bill?

Mr. STEWART: It came over from the Senate.

Mr. GUTHRIE: That does not help it.

Mr. STEWART (Edmonton): Some years age the right of issuing water licenses in the railway belt of British Columbia was delegated to the provincial controller. Last session we passed an amending act providing that before any licenses were granted we must be consulted. This legislation was introduced by us largely on account of complaints made by some of the residents in the water belt with respect to the manner in which such licenses were being issued. As a result about sixty licenses have been held up. The matter was of interest to the Speaker of the Senate and others who were affected and a mutual agreement was reached between the parties interested. This bill is for the purpose of suspending our rights under the amending act in order that the licenses may be issued. The bill was introduced in the Senate.

Mr. GUTHRIE: We cannot agree to it, anyway. It is a very controversial measure.

Mr. STEWART (Edmonton): I admit it. The difficulty is that, as hon. members from British Columbia are aware, licenses are being held up. It was in order to overcome the difficulty that we were anxious to pass this legislation. However, if hon. gentlemen object I am not going to press the matter. The measure is entirely in the interests of residents in the railway belt of British Columbia; it does not affect any other part of the province.

Mr. SPEAKER: Next sitting of the House.

Motion stands.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*DEPARTMENT OF LABOUR—MEDIATION WORK

Mr. MERCIER (Laurier-Outremont):

In how many disputes was the intervention of the Department of Labour sought and mediation work done,—

(a) Under the provisions of the Conciliation Act, from 1900 to date?

(b) Under the provisions of the Railway Labour Disputes Act, from 1903 to date?

Hon. Mr. RINFRET: No. 1 was dropped yesterday.

Mr. SPEAKER: Dropped.

*REPARATIONS COMMISSIONER—INTERIM REPORT

Mr. CANTLEY:

1. Is the so-called interim report of the reparations commissioner final in respect to the 1,497 awards mentioned therein?

2. Does the reparations commissioner agree with a statement made in the House of Commons that the so-called interim report was subject to revision in the final report on the 13 remaining claims?

3. Has the final report of the reparations commissioner on the 13 remaining claims been delivered to the Secretary of State or to his department?

4. Has the commissioner advised when the final or supplementary report will be ready?

5. Is the government aware of the fact that a great number of these claimants are in impoverished circumstances?

Hon. Mr. RINFRET: That was replied to on Monday.

Mr. SPEAKER: Answered.

WALTER H. KIRCHNER

Mr. SPENCER:

1. What reason was given by the Vancouver harbour commission for the dismissal of Walter H. Kirchner, accountant, Ballantyne pier, Vancouver, British Columbia?
2. Was he an efficient worker?
3. How long was he in the service of the Vancouver harbour commission?
4. Is he a war veteran?
5. Was his successor a returned soldier?
6. What salary did the accountant preceding Mr. Kirchner receive?
7. What salary did Mr. Kirchner receive for performing similar duties?
8. What salary did Mr. Kirchner receive before asking for an investigation of his charge against the Vancouver harbour commission of exploiting the labour of non-political returned soldier employees?
9. What reason was given by the Vancouver harbour commission for temporarily withholding twenty-five dollars ($25) per month for eight (8) months from Mr. Kirchner's salary?
10. Have portions of salaries earned by other employees of the Vancouver harbour commission been similarly withheld?
11. Was any recompense made or suggested to Mr. Kirchner by the Vancouver harbour commission for their action in withholding a portion of his salary for eight months?
12. When Mr. Kirchner assumed the duties of accountant, Ballantyne pier, why was the title of "accountant" added to the employee performing the junior duties of cashier?
13. Did the cashier who was given the additional title of "accountant" perform any of the accounting duties of the Ballantyne pier?
14. Was the cashier of Ballantyne pier capable of performing the duties of accountant of the Ballantyne pier?
15. What is the title of the cashier of the Ballantyne pier to-day?
16. Was the salary of the cashier of the Ballantyne pier increased from one hundred and sixty dollars to one hundred and eighty dollars per month at the time he received the additional title of "accountant"?
17. Was the increase of twenty dollars per month given to the cashier as extra remuneration for supposedly performing accounting duties in addition to his duties of cashier?
18. Were the duties for which the cashier received additional remuneration performed by Mr. Kirchner?
19. What authority have the Vancouver habour commissioners to turn over portions of a salary earned by one employee to another?
20. Is the position of accountant senior to that of cashier in the Vancouver harbour commission?
21. Has it been the general practice of the Vancouver harbour commissioners for employees performing senior duties to come under the jurisdiction of men doing junior work?
22. Why were such conditions imposed upon Walter H. Kirchner?
23. Were such conditions imposed upon his predecessor or his successor?
24. On or about the 10th September was the comptroller of the Vancouver harbour commission instructed by the commissioners to draw up a recommendation covering Mr. Kirchner's case, and what was that recommendation?
25. Was the recommendation by the comptroller minuted?
26. Has the government of Canada no jurisdiction over the actions of the Vancouver harbour commissioners against returned soldiers?
27. Did Walter H. Kirchner appeal to the Minister of Marine and Fisheries for justice?
28. Is the action of the late Vancouver harbour commissioners against Walter H. Kirchner endorsed by the government of Canada?

Mr. SPENCER: As this will probably be the last day of the session, I trust the answer to this question will be sent to me at my home address.

OTTAWA JOURNAL

Hon. Mr. EDWARDS (Frontenac-Addington):

1. What amounts were paid to the paper now known as the Ottawa Journal, by the several departments of the government, during the calendar years 1911 to 1926?
2. What amounts have been paid to the Ottawa Journal by the government during the years 1911 to 1921, for space leased for government purposes in the Ottawa Journal building?
3. What was the floor space rate paid by the government to the Journal in the years mentioned, and what was the average floor space rate paid for the use of other privately owned buildings?
4. Is the government at present leasing any part of the Journal building, and, if so, what is the yearly rental?

Hon. Mr. RINFRET:

Auditor General's Department:

1. The amount paid by this office, out of Legislation-Elections, to the Ottawa Journal during the calendar years 1911 to 1926 was $209.25.

2, 3 and 4. No information.

Department of the Interior:

1.	1911	$ 452 40
	1912	1,175 00
	1913	962 40
	1914	1,260 80
	1915	1,583 91
	1916	1,119 60
	1917	399 96
	1918	345 96
	1919	198 40
	1920	133 98
	1921	153 12
	1922	nil
	1923	72 72
	1924	72 92
	1925	79 40
	1926	111 12
		$8,121 69

2, 3 and 4. No information.

Department of Marine and Fisheries:

	Advertising	Subscriptions
1. 1911		$10 80
1912		10 80
1913		10 80
1914	$63 00	10 80
1915		10 80
1916	5 00	30 72
1917		24 48
1918		24 48
1919		24 48
1920		24 48
1921		24 48
1922		24 48
1923		24 48
1924	10 60	24 48
1925		24 48
1926	55 60	24 48
	134 20	329 52
Total	$463 72	

2, 3 and 4. No information.

Public Archives:

From 1917 to 1926 $218.16 for subscriptions to the Journal.

Department of Indian Affairs:

1. $146.40.

2, 3 and 4. No information.

Department of Justice:

1. For subscriptions $745.53.

2, 3 and 4. No information.

Department of Mines:

1. 1914-15 advertising in Greater Ottawa Number, Journal Printing Co. $200. 1920-21 advertising Peat committee $56.70.

2, 3 and 4. No information.

Department of the Post Office:

1. 1911	$ 6 60
1912	51 20
1913	95 80
1914	10 80
1915	35 35
1916	82 35
1917	89 10
1918	71 07
1919	30 92
1920	192 00
1921	42 72
1922	40 10
1923	40 34
1924	45 72
1925	45 72
1926	45 72

2, 3 and 4. No information.

[Mr. Rinfret.]

Civil Service Commission:

1. 1911 to 1917 inclusive—nil.

1918	$ 96 44
1919	72 96
1920	235 00
1921	38 41
1922	—
1923	54 67
1924	48 60
1925	55 29
1926	64 41

2, 3 and 4. No information.

Department of Immigration and Colonization:

1. $985.12.

2, 3 and 4. No information.

Privy Council.—Subscription to Morning Journal:

1924	$ 9 00
1925	9 00
1926	9 00
Total	$27 00

Department of Health:

1. 1919	Nil
1920	$ 11 00
1921	6 00
1922	6 00
1923	12 00
1924	9 00
1925	9 00
1926	9 00
2. 1919	Nil
1920	Nil
1921	Nil
3. 1919	Nil
1920	Nil
1921	Nil

4. No.

The Act respecting the Department of Health assented to the 6th June, 1919.

Department of Soldiers' Civil Re-establishment:

1. 1920	$ 56 00
1921	6 00
1922	123 80
1923	33 40
1924	9 00
1925	22 85
1926	24 12
Total	$280 17

2, 3 and 4. No information.

Department of Public Printing and Stationery:

1. 1911 to 1915 inclusive	nothing
1916	$ 42 60
1917 to 1919 inclusive	nothing
1920	28 00
1921	nothing
1922	20 80
1923	31 20
1924	29 31
1925	28 20
1926	27 60
Total	$207 71

2, 3 and 4. No information.

Department of Trade and Commerce:

1. 1911	$ 10 80
1912	7 20
1913	7 20
1914	7 20
1915	7 20
1916	7 20
1917	13 20
1918	18 48
1919	18 00
1920	18 00
1921	18 00
1922	12 20
1923	12 48
1924	12 24
1925	12 48
1926	12 48

2, 3 and 4. No informtaion.

Department of Public Works:

1. 1911	$ 195 00
1912	914 31
1913	1,013 20
1914	1,306 10
1915	810 00
1916	514 18
1917	922 33
1918	473 21
1919	978 51
1920	1,040 12
1921	921 87
1922	36 48
1923	42 96
1924	42 96
1925	42 96
1926	170 22

2. Year—Period—Amount: 1914, 12th January to 12th October, $9,424.26; 1915, 12th October, 1914 to 31st December, 1915, $15,297.31; 1916, 1st January to 31st December, 1916, $12,565.68; 1917, 1st January to 31st December, 1917, $12,565.68; 1918, 1st January to 12th January, 1919, $12,975.53; 1919, 12th January to 31st December, 1919, $13,320 83; 1920, 1st January to 31st December, 1920, $13,740.68; 1921, 1st January to 31st December, 1921, $13,740.68.

3. (a) January 12, 1914, to January 12, 1919, 70 cents per square foot; January 12, 1919, to January 12, 1924, 78 cents per square foot; January 12, 1924, to June 30, 1925, 96 cents per square foot, (monthly tenancy).

(b) Average floor space rate paid for space in building of a similar nature, 75 cents per square foot.

4. No.

Department of the Secretary of State:

1. $595.46.

2, 3 and 4. No information.

Soldiers' Settlement Board:

1.	$ 37 80
	119 20
	$157 00

2, 3 and 4. No information.

Royal Canadian Mounted Police:

1911	nil
1912	nil
1913	$ 8 60
1914	nil
1915	nil
1916	nil
1917	nil
1918	nil
1919	24 00
1920	6 00
1921	22 00
1922	12 12
1923	9 00
1924	9 00
1925	16 50
1926	9 00
	$117 02

Department of Railways and Canals:

Fiscal year	Advertising	Subscriptions	Total
1911	nil	$ 3 60	$ 3 60
1912	nil	3 60	3 60
1913	nil	3 60	3 60
1914	nil	3 60	3 60
1915	nil	3 60	3 60
1916	nil	3 60	3 60
1917	nil	30 00	30 00
1918	nil	6 24	6 24
1919	nil	59 81	59 81
1920	nil	50 21	50 21
1921	nil	42 96	42 96
1922	$263 20	55 94	319 14
1923	nil	55 95	55 95
1924	71 60	49 72	121 32
1925	135 00	61 08	196 08
1926	170 40	71 22	241 62
Total	$640 20	$504 73	$1,144 93

Note—The above does not include the Canadian Government Railways.

Department of External Affairs:

1. 1911	Nothing
1912	$10 80
1913	3 60
1914	Nothing
1915	Nothing
1916	10 80
1917	17 50
1918	69 45
1919	75 90
1920	53 16
1921	35 92
1922	88 44
1923	73 46
1924	11 50
1925	78 70
1926	62 98

2. Nothing paid by the Department of External Affairs.

3 and 4. No information in connection with the Department of External Affairs.

TOBACCO PRODUCTION

Mr. HEPBURN:

1. What is the present production of tobacco in
A. Canada,
B. Ontario,
C. Quebec?
2. What is the farm value of annual tobacco crop?
3. What is the growth and present status of export trade?
4. What commercial types of tobacco are grown in Canada?
5. Is Canadian grown leaf used in domestic manufacture? If so, to what extent?
6. Are there any districts in Canada not growing tobacco which may be suitable, in view of the increasing export trade?
7. What steps are being taken to increase our export trade?
8. Through what channels has the work of the department been instrumental in forwarding the tobacco industry to date?
9. What are the possibilities of increasing our export trade?

[Mr. Rinfret.]

Hon. Mr. MOTHERWELL:

1. A. For all Canada about 28,000,000 to 35,000,000 pounds.
B. Ontario—20,000,000 to 25,000,000 pounds.
C. Quebec—8,000,000 to 10,000,000 pounds.
2. Slightly over $7,000,000 in each of the last two years, to the growers.
3. The export is practically all in raw leaf form and has increased very rapidly during the last five years, from 200,000 pounds in 1921 to more than 5,000,000 pounds in 1926.
4. A. Ontario—Burley, flue cured, Green River, dark fire cured.
B. Quebec—Cigar binders, cigar fillers, rough cut pipe smoking.
5. At the present time more than half of the leaf used in manufacture is grown in Canada. Adding to this that portion smoked in the raw leaf state it is estimated that 70 per cent of the tobacco consumed in Canada is grown in Canada.
6. Two years experimental results indicate that the Okanagan valley, B.C., may be able to produce export leaf of superior quality.
7. A. Improving the quality and increasing the quantity of export types in established growing districts.

B. Testing out export types in districts not now growing tobacco commercially.

C. Publicity through exhibits, etc., to acquaint the British trade with the merits of Canadian leaf.

8. Introducing and acclimatizing superior varieties suitable to Canada and Canadian trade.

B. Selecting and improving varieties for Canadian conditions.

C. Testing commonly used varieties and eliminating sorts of inferior commercial value, thus assisting in raising the types and standards of Canadian leaf.

D. Raising large quantities of high quality seed of approved types.

E. Cultural methods in the production of plants and growing the crop as a result of experimental work have materially changed and enormously improved in Ontario and Quebec.

F. Fertilizers. Results of experimental work on fertilization have given farmers reliable information on the proper mixtures and most economical application for different types and on different soils.

G. Experiments and demonstrations in the most efficient and economical handling of tobacco crops in suckering, topping, harvesting, curing, stripping, sorting and packing have had, and are having, a marked influence towards improving the quality of Canadian leaf for domestic and export purposes.

H. The tobacco division during the past nine years has repeatedly demonstrated on the British and other foreign markets the quality and types of leaf produced in Canada. This has had a marked effect in creating interest and confidence in Canadian leaf by British buyers and to no small extent has been responsible for the rapid growth in our export trade and still greater growth in the demand for Canadian tobacco, from other countries.

9. Of the countries importing tobacco the United Kingdom alone imports about 200,000,000 pounds of raw leaf annually. The British tariff gives colonial leaf a preference of 25 per cent of the import duty or approximately 50 cents per pound; hence the British market alone offers enormous possibilities.

OFFICIAL MOTOR CARS

On the Orders of the Day:

Hon. J. W. EDWARDS (Frontenac-Addington): I would remind the government that some time ago I put on the order paper two questions, one relating to railway cars used by the various departments, and the other relating to official motor cars. I have received an answer to the first question, but not to the second. I am very much interested in the kind of automobiles hon. gentlemen are using, and I hope the answer will be sent to me.

Hon. Mr. RINFRET: I will try to table the answer this afternoon.

CANADIAN NATIONAL RAILWAY

TORONTO OFFICE BUILDING

On the Orders of the Day:

Mr. T. L. CHURCH (Toronto Northwest): May I ask the Minister of Railways when the Canadian National Railways will move into their new quarters at the corner of King and Yonge streets, Toronto?

Hon. CHARLES A. DUNNING (Minister of Railways): Mr. Speaker, I am not informed exactly as to the situation, but my impression is that a move is being made.

CANADIAN MERCHANT MARINE

NEW SHIPS FOR WEST INDIES SERVICE

On the Orders of the Day:

Hon. S. F. TOLMIE (Victoria): Mr Speaker, I understand it is the intention of the government to make some additions to the Canadian Merchant Marine in order to look after the West Indies trade. I should like to know if the ships will be built in Canada, and, if so, whether an effort will be made to divide the work between shipyards on the Atlantic and Pacific coasts.

Hon. CHARLES A. DUNNING: Mr. Speaker, at the moment I do not think I can add anything to the statements made during the progress of the debate in that regard. I think my hon. friend will find a full discussion there.

CUSTOMS REGULATIONS

PORT OF TORONTO

On the Orders of the Day:

Hon. E. B. RYCKMAN (East Toronto): Mr. Speaker, I ask the Prime Minister what the government proposes to do in view of the statement on the 12th inst., of Chief Commissioner Brown to Collector of Customs Bertram at Toronto, that the collector should enforce the customs regulations, and thereby put the port of Toronto "out of business" in two weeks' time.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I shall have to take time to read the hon. gentleman's question in order to get the significance of it, Mr. Speaker

CANADIAN NEWSPAPERS AND PERIODICALS—PROTECTION

On the Orders of the Day:

Mr. E. J. YOUNG (Weyburn): Mr. Speaker, I would call the attention of the Postmaster General (Mr. Veniot) to Hansard of Thursday, April 7. At page 2031 he is reported as saying:

> During the recess a thorough investigation will be made with a view to devising some scheme by which we can give greater protection to our newspapers and periodicals in competition with American publications.

Was the hon. minister correctly reported? If so, how far will he be prepared to go in that direction?

Hon. P. J. VENIOT (Postmaster General): My reference to protection was not in the sense that perhaps my hon. friend understands it. What I was referring to was the protection of our newspaper publishers and dealers against the influx of American newspapers and periodicals of a nature such as was discussed on that occasion—that is, detrimental to the morals of our youth.

NORTH WEST TERRITORIES ACT

CONCURRENCE IN SENATE AMENDMENTS

Hon. CHARLES STEWART (Minister of the Interior) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 123 to amend the North West Territories Act.

Motion agreed to; amendments read the second time and concurred in.

SUPPLY

CIVIL SERVICE SALARIES

The House in committee of supply, Mr. Johnston in the chair.

Miscellaneous—to provide for flat increases to the Civil Service, both inside and outside, $2,700,000.

Hon. FERNAND RINFRET (Secretary of State): When this item was called last night I proceeded to give an explanation of the proposed salary revision but I acceded to the request of one hon. member opposite that I defer until to-day any statement that I wished to make, in order that it might be presented to a full House. The points I made last night were these. In revising the salaries of civil servants we had to consider three aspects of the question: first, the total sum of money to be expended; secondly, the classification of the civil service as it now exists; and thirdly, previous increases that might have been granted since 1924 to different classes of the service. I reminded the committee that in 1924 the bonus that had been granted to meet the high cost of living was removed in certain cases, reduced in others, or simply prolonged on a gradual scale towards disappearance. The proposal now before the committee is based on the principle of a flat increase to the different classes of the service in receipt of salaries up to $5,100. I explained last night that other projects were submitted to us. Either through correspondence or otherwise the suggestion came that we should grant increases rather to the lower classes among whom the need apparently was greatest. Others, on the contrary, suggested that the increases should go to men of special knowledge, technical men, whose services we could not very well dispense with. They thought that the increase should be a recognition of merit. However, the Civil Service Association, who appeared before us, took the stand that the flat increase would be the best thing and would give most satisfaction. As I observed last night, the tendency is very much the same as in unions of labour men, to have uniform wages irrespective of the quantity or quality of the work performed within given classes of the union.

The proposal is of a dual nature. First it raises the minimum and maximum in every class of the service by the sum of $120 except in the case of the lowest minimum, that is, the entrant class. That has not been touched. Our reason for not increasing the lowest minimum was that entrants to the service are not affected and we thought we should not touch that minimum. This increase is not only for the present year but is a permanent addition; so that every civil servant not only receives immediate consideration but has an increased maximum at which he may hope to arrive in the future. The other aspect of the increase is the improvement in civil service salaries by the sum mentioned. We thought that we should have to make some exceptions in this regard but I will not deal with them. They may, however, be summed up in three classes. First, no increase will be given to temporary employees, that is to say, the temporary class whose salary is the minimum of grade 1 and which has not been increased. We could not grant to any temporary employee a salary higher than the minimum of the class in which he happens to be classified. The spirit of the law recognizes these temporary employees merely as help engaged for one or two months, or perhaps four months, and they are really not in the service. They are temporary in the strictest sense of the word. I suggest that if some of

the temporary clerks in that grade happen to have been in the service for a certain length of time the remedy would be rather to examine and consider whether they could not be blanketed in as permanent employees. According to the classification of the service as it is to-day, however, it was not found possible to increase that class until we had at the same time increased the minimum of grade 1, which it was not our intention to do.

Another class of exceptions to which the hon. member for Wetaskiwin referred is that group of civil servants who happen to be above the maximum of their class. That is a peculiar situation and I believe the committee will agree with me that it is an anomaly which should not be aggravated by this revision. When the classification was made in 1924-1925 a certain number of civil servants were classified in grade 3, the senior clerk grade. It happened that some of them were already earning a higher salary than the maximum of the class in which they were put, and even after raising the maximum of that class to-day the salary is not as high as these employees are getting. We thought it would be unwise, by granting an increase to these civil servants, to prolong and aggravate the anomaly that already exists in the service in relation to them. My view of the matter is this. If these civil servants perform a work that is well within the class to which they belong then they are already getting a higher salary than they are entitled to and they should not be increased. If on the other hand they are performing a work, or are capable of performing a work, of a higher grade than the one to which they belong, then the remedy is evidently at every opportunity to reclassify them and grant them promotion. The committee will agree with me that it would have been unwise to grant an increase to any civil servant who happened to be already earning more than the new maximum of the class to which he belonged.

Mr. BENNETT: About how many of these would there be?

Mr. RINFRET: Approximately 400. The main exception to this revision, with which all these telegrams, delegations and representations have dealt, is the case of the postal clerks, the railway mail clerks and others of that description.

Mr. BENNETT: Letter carriers.

Mr. RINFRET: Yes. I am taking no exception to what these organizations have done with regard to this revision, because I think it is very human even when granted some increase to ask for more. I repeat that on that ground I am not taking any exception to what has taken place, although I do think that in some cases the telegrams might have been phrased in a different way. I am in full sympathy with these men, and would not want to say one word which would lead them to believe to the contrary. But I want to remind the committee that in 1924, when the bonuses applying to these classes were removed as they were in the rest of the service, or reduced, adjustments were made with reference to these railway mail clerks, letter carriers, postal clerks and customs clerks, because although we did not hear from the latter class they are in the same position. In that year these classes were granted an increase of $180 to partially compensate for the loss of the bonus.

Mr. BENNETT: Did that apply to any other class?

Mr. RINFRET: No, and that is the point I want to make. This year, according to the recommendations of the Civil Service Commission and also of the Post Office Department, we propose to increase that amount by $60, to bring it up to a total of $240. These organizations have taken the ground that we should not take into consideration the $180 granted them in 1924, because that was a matter of adjustment, but I want to direct the attention of the committee to the fact that in no class of the service are we proposing to grant an increase in salary without giving consideration to any adjustments which have been made since 1924. It may be that these employees deserve more consideration than others, but there is one point which cannot be denied; they are getting that consideration by this revision of salary. If you take into consideration the adjustment made three years ago, they are getting twice as much as any other class in the civil service, and I want to make that very plain.

Mr. BENNETT: Have they not very much harder work?

Mr. RINFRET: I am not discussing whether this will fully meet their requirements, and I do not wish to create the impression that they do not deserve great consideration; I am only standing by this revision, in preparing which we had to consider the total amount that would be expended on adjustments which have already taken place. I say that the postal clerks, the railway mail clerks and the letter carriers will receive in the aggregate an increase double that which we are

granting any other class of the service, and in any case where the increase of $120 is proposed, there will be deducted from that amount any partial consideration received by any class since 1924.

Mr. BENNETT: The actual increase in those classes would be $5 a month?

Mr. RINFRET: This year, but $20 a month since we began adjusting the salaries in 1924 or twice as much as any other class in the service will get. I cannot stress this point too much because it has been stated in some telegrams that the increase would only amount to $42, which I do not think is a fair statement at all. Last year these men were granted a special consideration of $18 which they would not have received this year, and therefore the amount added to their salaries is fully $60, because the $18 would not have been available anyway; it was the remnant of the bonus and would have disappeared. Again I take the stand that whatever consideration these men deserve and however hard their work, standing by this revision alone I claim that there is no class in the service getting more consideration than these very classes which complain.

Mr. GUTHRIE: Will the minister allow me to see if I have this right, in regard to the case of the letter carriers? If my information is correct, in 1921 the salary and bonus of a letter carrier totalled $1,558, of which $1,260 was salary and $298 bonus. In June, 1924, when the revision took place, the figures became $1,440 salary and $18, the remnant of the bonus. The announcement made a few days ago that there was to be a flat increase of $120, which of course is $10 a month, gave the impression that railway mail clerks and letter carriers were to receive that amount, and I think the public generally were satisfied that that would be a reasonable increase under the circumstances, but the way the thing has worked out gives an actual increase to a letter carrier or mail clerk of only $42 per annum or, as the telegrams received by hon. members show, about 78 cents per week. Naturally this is a tremendous disappointment to those classes of civil servants, and I think the minister should reconsider the question of the flat increase of $10 per month which was originally proposed in this House, before we were aware of the limitations placed upon that proposal. I remember asking at the time if this proposed increase applied to letter carriers, and the intimation was that it did. Therefore we cannot wonder that that impression went forward from the statement made by the minister. In reality, however, the railway mail clerk or letter carrier receives only the somewhat insignificant increase of 78 cents per week, or $42 per year. I think, Mr. Chairman, that that amount is too small to offer these civil servants at present. All they ask is a flat increase of $10 per month, which would not involve any enormous sum of money, and which I think is justifiable under the circumstances. The whole increase could be paid out of the vote of half a million dollars which we passed last night for a building in Washington. I think these men are entitled to the consideration of this House and I hope the Secretary of State will reconsider this proposal in regard to that hard-worked class of officials, the railway mail clerks and letter carriers, and grant them the $10 per month increase which they imagined they were going to get when the announcement was first made.

Mr. WOODSWORTH: Mr. Chairman, may I ask the minister—

Mr. RINFRET: I have not finished my statement yet. When I made the announcement to the House I gave a list of the exceptions, and exception (d) referred to those classes which were increased by $180 per annum or more in the salary revision of 1924. I wish to point out to the leader of the opposition that they were so well aware of the fact that they were in that excepted class that wires were immediately received with reference to that paragraph. They may have expected $120, but they certainly could not expect it from the statement I made in the House.

Mr. GUTHRIE: The statement was misunderstood, I grant that.

Mr. RINFRET: This is only a technical point anyway. I was just going to say when my hon. friend got up that we could not consider separately the increase that was granted these classes this year. We had to consider the cumulative increases that have been granted since 1924; and I insist again that in any other class where an increase has been granted, this will have to be deducted from the $120 flat increase this year. So there is no discrimination at all in that respect, only to the extent that these special employees are getting twice as much through this revision as any other class in the service. May I point out, as I did in the case of the preceding class that there are other ways of improving the position of the men. Some may be reclassified, others may be promoted; there is no finality in adjustments of this kind. But as Secretary of State, having studied the prob-

lem very fully, unless special consideration is given to the class of work that these men perform, I am going to take the stand to-day, that it would not be fair to the rest of the service to grant an additional increase to this group and not grant it at the same time to civil servants at large, because under this revision these particular men are already getting more relatively than any other civil servant in the employ of the government.

Mr. BENNETT: Will the minister say what the maximum is?

Mr. RINFRET: Yes, $1,500.

Mr. VENIOT: That is under the classification they are getting more in proportion than any other class.

Mr. RINFRET: I believe that if the committee would only agree to this revision as it stands, and leave it to the Postmaster General —who I am sure is a generous hearted and well intentioned minister—he could be depended upon to look after the welfare of these men.

Mr. RYCKMAN: He would dismiss them all.

Mr. RINFRET: Their positions can be improved by reclassification, by promotion; it can be improved in many other ways than by disrupting, if I may use the word, the general equilibrium of the revision which has been adopted.

Mr. McGIBBON: Is it intended to improve the status of the letter carriers later on?

Mr. RINFRET: We are to have a new class of senior letter carriers. My hon. friend has suggested that it would not need a very large amount to grant the official increase. Let me tell him it would mean for these classes only pretty nearly $700,000.

Mr. BENNETT: For the three classes?

Mr. RINFRET: For all these employees.

Mr. GUTHRIE: How many letter carriers have we in Canada?

Mr. RINFRET: About three thousand. I believe there are 11,000 affected by this revision.

Mr. GUTHRIE: But the letter carriers number about 3,000?

Mr. RINFRET: Yes.

Mr. LADNER: Is it not a fact that in some cases there is an actual decrease in salary? I have received complaints in which it is stated the revision constitutes a decrease?

Mr. RINFRET: Before I am through I may point out, perhaps, as the Minister of Finance did the other day, that there is another side to this question, and that is the taxpayers' side. We have had also representations, through members of parliament or otherwise, that we were going a long distance in increasing the salaries of the civil servants. I may tell the House that I have been a civil servant myself, and I doubt if there has ever been in the ministry one more fully in sympathy with the service than I am. I know the conditions of the service. I know its shortcomings and also some of the advantages—in the matter of security and otherwise. I will not insist on this point, but I can assure my hon. friend that we have given the fullest consideration to this matter, and everything that we propose to do is in the fullest sympathy with the service at large. I am only too grieved to find out that quite a large body of civil servants have not found satisfaction in this revision. I believe that is due to the fact that they have pondered too much over the flat increase that goes to the rest of the service, and have lost sight of the fact that an equivalent amount and more has been given to them already. I would suggest that we might all be animated by the same sentiment regarding this revision. I have said that some people have made representations to us that the amount of increase was very large. To those I would say that the amount is smaller, by one-half or more. than that requested by the civil servants themselves. In the revision decided upon we have about met them half way.

Mr. BENNETT: How many will be affected?

Mr. RINFRET: Altogether I believe 33,000, of whom 22,000 are in the civil service at large.

Mr. EDWARDS (Frontenac): Will the fourth class, the "notwithstanding" class be included? That is the class who are being appointed because they are favourites of this or that minister or department "notwithstanding anything in the Civil Service Act?"

Mr. RINFRET: I am glad to relieve my hon. friend's anxiety about that. The provision will include all civil servants in the service now, whether they have been appointed by the preceding government or have been appointed "notwithstanding anything in the Civil Service Act." There are quite a number in both classes.

Mr. HANSON: Will the minister tell us how many railway mail clerks there are in the employ of the government?

Mr. RINFRET: Seventeeen hundred.

Mr. EDWARDS (Waterloo): How does this adjustment fit in with the promise made to those postal employees who went on strike?

Mr. RINFRET: I understand the recommendation of the department at the time had reference to $240, and that is what we are meeting.

Mr. LADNER: I do not think the minister answered my question as to the classes where the employee thinks there has been a decrease in his salary and not an increase. The minister keeps speaking about the increase, but I would ask him what about these decreases?

Mr. RINFRET: There has been no decrease in the real sense of the word. The bonus was removed. Now I take it for granted that bonus was to meet special conditions and was a temporary consideration. The bonus was removed in 1924. I believe I can safely say that by this revision the civil servants are restored to the salaries they were getting plus the bonus, with a slight difference one way or the other. But I would point this out: That while the bonus was a temporary consideration they are now getting this as a salary assured to them, and the same applies to other positions to which they can look forward in the future.

Mr. LADNER: Was not the bonus intended to meet the situation of the depreciation in the purchasing power of the dollar.

Mr. BENNETT: The high cost of living.

Mr. LADNER: In other words the high cost of living. As compared with pre-war times the dollar had depreciated in its purchasing power and accordingly the bonus was granted to cover that situation.

Mr. RINFRET: I am not an economist but I fail to see the distinction between the high cost of living and the depreciation of the dollar.

Mr. LADNER: There is none.

Mr. RINFRET: I think it is the same thing. But when the bonus was removed—and of course I am not responsible for that—I understand that the view was taken that the cost of living had decreased.

Mr. HANSON: It has gone up again according to your own figures.

Mr. RINFRET: So have the salaries.

[Mr. Rinfret.]

Mr. LADNER: I have not been taking up much time and will not do so because the intention is to prorogue parliament to-day, but I think this is the crux of the whole situation. We have all had representations made to us by different organizations, and I want some information on the subject. As compared with conditions prior to the war, the purchasing power of the dollar to-day is much depreciated, and the purpose of the bonus was to cover that very point. That being the case, the increase given to these men could hardly be considered as an increase unless it at least equalled or exceeded the bonus. If you take away the bonus, which was intended to meet the depreciation in the purchasing power of the dollar, and then speak of an increase, you are really talking about a decrease. Has that feature been considered? Objections have been raised all over the country to the government's treatment of the so-called increase because the men affected complain that they are receiving relatively less than employees in other walks of life.

Mr. RINFRET: That is the very thing we had in mind. We have sought to adjust the situation in such a way that these increases would be subordinate to whatever treatment the bonus received in this or that class. I said, and I repeat, that by this revision of salary, the whole civil service will receive practically the same amount as they did with the aggregate of the bonus and salary of 1924. There might be a slight difference. The great advantage to the service is that this is now a salary accruing to them with the statutory increase and possibilities all through the service of reaching higher maxima. That should be appreciated.

Mr. LADNER: On the theory which the minister has been explaining where there has been an actual decrease instead of an increase, or an injustice, is there in the act any provision by which the minister by order in council can remedy that situation?

Mr. RINFRET: That could be done only by reclassification or promotion of those men.

Mr. GUTHRIE: To cut the matter short, would the minister consider this suggestion? There are 3,000 letter carriers and I understand there are 1,700 mail clerks, or, in round numbers, 4,700 of these employees. All they ask is that in addition to what they are being granted they get $60 a year. They are now getting an increase of $60 a year less the $18 of which we spoke, or a net increase of $42. If the government would consider giving them

the aditional $60, that would involve a matter of only $282,000 per annum. The minister proposes an appropriation of $2,700,000. If he would increase that by $282,000, he would cover that very large class of employees who feel that they are not being fairly dealt with at present.

Mr. RINFRET: Why single them out? There you have discrimination, the very thing we want to avoid. The hon. member says: there are 3,000 letter carriers; give it to them. Why not give it to the railway mail clerks who are in the same division?

Mr. GUTHRIE: I have added them.

Mr. RINFRET: That will mean 11,000.

Mr. GUTHRIE: I was informed that there were 3,000 letter carriers and 1,700 mail clerks.

Mr. RINFRET: There are postal clerks, customs clerks and many other classes in that group who have been given consideration already and who are getting $60 of a difference. I want to accept any suggestion in good grace, but we have tried hard to have an adjustment made that will prevent discrimination, and it is by giving special consideration to this or that class that discrimination will arise.

Mr. EDWARDS (Waterloo): Did the minister not promise the men in 1924 to make good the $198 bonus? As a matter of fact they are getting a net increase of $60.

Mr. RINFRET: This year?

Mr. EDWARDS (Waterloo): I mean a net increase over the 1924 income.

Mr. RINFRET: That is right.

Mr. WOODSWORTH: I should like to support the plea of the leader of the opposition (Mr. Guthrie), not that I consider his proposal as being at all adequate to meet the situation, but because I regard it as being the least possible that can be done at the present time. I think it would receive the support of hon. members and also of the public generally throughout the country. The requests of the letter carriers receive greater endorsation from the general public than those of any other class. This is perhaps because the ordinary public comes into closer touch with them and understands the nature of their work, much of which in this country is arduous, but it is also because we believe that this particular class of civil servants has not received proportionately anything like the salary which they should receive, and that in making an increase as proposed we are in reality only attempting in a very small degree to catch up in the arrears that are due to them.

I venture to suggest that the apparent increases of which we have heard so much are often nullified by changes in the classification of the civil service. That has not been clearly brought out. The schedule of salaries in the civil service is so complicated that it is extremely difficult for us at this time to go into details, but it should be clearly recognized that very often any increases have been entirely nullified by changes in classification. Moreover, with regard to this special class for whom a plea has been made, a few years ago an adjustment was made giving them $60 a year more. As I understand the situation, that was in order to bring them up more nearly on a parity with the other classes of the civil service. In this case if they are to be given simply the other $60, this means really that that adjustment goes for nothing. I take it that others are not being discriminated against if this class receives the full $120 increase.

Another matter in which we who come from the west are particularly interested is the bonus. There has been a special bonus for years on account of the higher cost of living in the west; that complicates the situation still further as regards the western men. But in the case of the war bonus I claim that it was given because of the increased cost of living and that increased cost of living is still a factor in the situation. Members of this House had their sessional indemnities increased at about the same time because of the increased cost of living, and we are not prepared to say that that sessional indemnity ought to be lowered. We recognize that the cost of living has been permanently increased or, if you like to put it the other way, that the purchasing power of the dollar has been lessened. This is an important consideration, especially in the case of the lower paid civil servants. I do not think the Secretary of State has answered the statements made by the letter carriers. I want to place on record this memorandum which has been handed to many of us:

Salary Revision, 1924, As Applied To Letter Carriers

1923, salary, $1,260; bonus, $297; total, $1,557.

1924, April 1, salary, $1,260; bonus, $198; tatol, $1,458; reduction, $99.

1924, July salary revision, salary, $1,440; bonus, $18; total, $1,458.

1924, Post Office Department's recommendation for letter carriers, salary, $1,560.

1927, salary proposed, salary, $1,500; reduction bonus, $18; increase "net", $42 or 81 cents per week.

I do not wonder that the civil servants, however loyal they may be to the service, hesitate to accept willingly an increase of only 81 cents per week. I do not think it is fair to them. To put the matter in the words of the Amalgamated Civil Servants of Canada, a western organization:

> We refer to the recent announcement on civil service salaries wherein it states "that a general increase in salaries to be effective April 1, 1927 on the following basis, $120 increase to all civil servants except junior clerks grade I and those who received an increase in salary of $180 in 1924, who are to receive an increase in salary of $60 per annum." We beg to say that no civil servant to our knowledge received an increase in remuneration of $180 in 1924. It is true that certain classes had $180 added to salary range, but the civil servants in those classes at the same time lost an equal or greater amount in pay by the abolition of the bonus.

If that statement is correct, a great deal of what the Secretary of State has said is not really relevant in this connection. I read on:

> Now we find that this reduction, or at the best equalization of pay, is called an $180 increase for the purpose of depriving civil servants affected of the full benefit of the new increase. This is camouflage of the worst kind, and certainly cannot be calculated to ensure that esprit de corps which is necessary for a good and efficient service.
>
> A few illustrations will suffice. A letter carrier at his maximum in 1920 received $1,656 per annum, in 1921 he was reduced to $1,458, in 1924 after the so-called $180 increase he still received $1,458 and under the new revision of 1927 will receive $1,500, an increase not of $60 but $42, which still leaves him with $156 per annum less than he received in 1920. Postal clerks in western Canada under the new revision will have a maximum salary only $60 greater than in pre-war days, despite his so-called $180 increase in 1924.
>
> It will be noted that while in the above illustrations we quote figures paid to postal employees, we wish particularly to emphasize the fact that the same is true in all other departments because the salaries in all departments are interrelated.

I do not want to delay the House, but I venture to assert that greater consideration is constantly being given to the more highly paid officials, and I would urge that we attempt to deal fairly with these lower paid men who have not the same opportunity of making their influence felt.

Reference was made to the vote for the new building at Washington. I voted last night in favour of it simply because it seemed to me that if we were going to keep up the standards that were proposed it was a good business proposition. Personally I do not agree with the idea of keeping up those standards. It seems to me that we can maintain our dignity in some other way than by lavish hospitality, or conforming to certain elaborate and extravagant standards. The purchase of the building seemed a good proposition, and that is the reason I voted for it. But surely it is also beneath the dignity of Canada to pay less than a decent wage to our employees. By the vote last night we decided to keep up the dignity of one Canadian by voting—

An hon. MEMBER: The hon. gentleman voted for it.

Mr. WOODSWORTH: Yes, because as I said this House was of opinion that a certain style should be maintained, and the amendment itself made provision for an additional amount for the year in order to maintain that standard.

An hon. MEMBER: Too thin.

Mr. WOODSWORTH: And I said if we are going to maintain that standard it seems best to do it in a business-like way, as was suggested by the government. I am not discussing the vote of last night, except as an illustration. I say it was generally considered, admitted by both sides of the House, that the dignity of Canada should be maintained, and the amendment itself provided for maintaining it on that scale. To-day I urge that we ought to maintain our dignity by paying something like a reasonable amount to our employees. We are paying far below that which is being paid in the United States. Why should we not have as great a pride in paying high salaries as we have in spending a large sum of money for the purpose of standing well with the comparatively limited group of people who may visit the embassy and be impressed by the scale on which our offices are maintained in Washington? I would urge that the government should even at this stage give careful consideration to the representations that are being made by the rank and file of the people from one end of the country to the other, and revise the proposed salary scale. The men have been waiting a long time. Personally I think they have been waiting with a good deal of patience, and since the government is assured of general support in the House for any move of this character, I cannot see why they could not afford to be generous.

Mr. HANSON: If the department and the government cannot see their way to give this increase to the letter carriers as well as to the mail clerks, then I will confine my plea to the mail clerks. There are seventeen hundred of them. The $60 increase would amount to $102,000 a year. That is not a very

large sum. The objections raised by the Secretary of State on behalf of the government, as I gather, are twofold. First he says there is the question of discrimination, and secondly, that you must pay regard to the standpoint of the taxpayer of the country. Those are the two main objections, I gather, to giving the increase to the railway mail service, apart from the further fact—I might call it No. 2—that they had some increase in 1924. I am not impressed with the two arguments advanced by the Secretary of State. As to the question of discrimination, there is no comparison between the hazards of the life of the railway mail clerk, and the life of an ordinary civil servant. Hon. members have only to reflect that every day these men are on duty on their run they are in danger. If my hon. friend will look up the statistics he will find that the average life of railway employees on the United States railways is only eleven years. I will leave it to the Minister of Labour if I am not correct. I am talking of engineers and of the operating staff. I need not say that the railway mail clerks are occupying as hazardous a position, we will say as the brakesmen, or engineers or locomotive firemen, but if my hon. friend will go to the Post Office Department he will learn that there is a very substantial percentage of accidental deaths due to the hazard of the occupation in Canada. One of the worst sights I ever saw in my life was an accident to a railway mail clerk at Palmer's Point, Dorchester, when a huge express train went over the embankment into the the slough, and the only man killed was the railway mail clerk. The engineer and the brakesman survived. The railway mail clerk was a resident of my own city. I knew him well, and because of the hazards and the risks that these men take I say there should be discrimination in their favour. They are not paid out of proportion to the risks involved in the course of their occupation. Neither am I impressed by the plea of protection to the pocket of the taxpayer, in view of the exhibition of prodigality we had last night in the expenditures provided for in the supplementary and main estimates as well as the other expenditures voted this year. It ill becomes the Secretary of State or any hon. member on the government benches to talk about protecting the taxpayer. I marvelled last night and said to myself: Where is the Minister of Finance, and why did we not have some word from him on behalf of the taxpayers of the country? We have had no word from him in that regard this session, I am sorry to say. I have the very highest respect for my hon. friend. I am sorry to have to admit that he has fallen down on the job. You will be doing less than justice if you do give this increase to the railway mail clerks; and you will be doing an injustice if you refuse it.

Mr. ROBB: Mr. Chairman, my hon. friend is one of the whips of the opposition, and he says he marvels at the Finance minister for allowing votes to go through the House so rapidly. I sit here and marvel at my hon. friends opposite, one moment blowing hot, the next moment blowing cold—advocating extravagant expenditure throughout the country wherever they think it will catch the popular vote.

Mr. HANSON: Will the minister stand up and say that the granting of the increase to the railway mail clerks of this country is extravagance? Let him answer.

Mr. YOUNG (Saskatoon): In this salary revision there appears to be one class that gets an increase of only $60, in some instances less. The minister explained that in 1924 when salary adjustments were made this class got an increase of about $180, and he now suggests that they are being treated in a better way than the rest of the service under this revision. Why was there any revision of the salaries of that class in 1924? If those men and women received an increase on that occasion while the rest of the civil service did not, were the latter discriminated against?

Mr. ROSS (Kingston): No.

Mr. YOUNG (Saskatoon): Then if on that occasion they were given something simply to bring them in line with the other civil servants, I ask are they not now being discriminated against? It seems to me that one or other condition must be true.

Mr. ROSS (Kingston): You are perfectly right.

Mr. YOUNG (Saskatoon): I would ask the minister to consider whether we would not be justified in giving a straight $120 increase all around. If at this moment he is not prepared to do that, I would ask him not to object to the desired increase if after investigation it is found that full justice may not have been done this class. I want to say a good word on behalf of these officials. I know their work, I believe they are entitled to full consideration, and I hope they will get it.

Mr. VENIOT: Mr. Chairman, one of the great difficulties we encounter in dealing with

the salaries of the railway mail clerks and mail carriers is that, in my opinion, they are not properly classified. Each set of employees are in a class by themselves. To give to the railway mail clerks and mail carriers the full increase which they claim they should now get, without giving consideration to the increase granted to them in 1924, would be a discrimination against all other classes in the service. But recognizing as I do the hazardous work of the railway mail clerks, and the arduous work of the mail carriers, my recommendation would be to readjust their classification and thus bring about such a change as would give them the justice that they are now seeking.

Mr. BENNETT: What does that mean?

Mr. VENIOT: I claim the railway mail clerk is not classified according to the work he is doing, and therefore is not receiving an adequate salary.

Mr. BENNETT: Can the minister state the minimum and maximum?

Mr. VENIOT: The salary starts at $1,080 and reaches $1,680. When this proposal goes through the maximum will be $1,800.

Mr. BENNETT: And mileage?

Mr. VENIOT: Yes, I am coming to that. I do not point this out to depreciate the value of the work performed by the railway man, but besides this salary he gets one cent a mile for the run he makes.

Mr. BENNETT: What would be the total payment?

Mr. VENIOT: It depends on the mileage. The senior men are granted the best runs if they so desire.

Mr. BENNETT: Some runs are as high as six hundred miles.

Mr. VENIOT: Yes.

Mr. BENNETT: The average, I think, is about 250 miles.

Mr. VENIOT: It is pretty close to the mark. This must not be lost sight of. In order to get all the facts before the House, let me call attention to what is practically a part of the salary of the mail carrier; I refer to his uniform and boots, which are supplied to him by the department.

Mr. BENNETT: But he can wear them only when on duty.

[Mr. Veniot.]

Mr. VENIOT: That is so. I think he is entitled to a new suit and a couple of pairs of boots every year. I feel there is no class of civil servants that should be better paid according to the work they do than railway mail clerks.

Mr. BENNETT: Hear, hear.

Mr. VENIOT: They perform the most hazardous work in the whole service. Then we must not forget that the mail carrier is gathering and distributing mail six days a week in all kinds of weather. His work is also in a different class. There is where the trouble comes in. I am not blaming anybody for it; but I claim that had these two classes been properly classified they would not to-day be complaining, because their minimum and maximum would have brought them statutory increases which would have satisfied their demands. I understand that the Civil Service Commission cannot very well re-classify any branch unless they get a recommendation from the minister in charge. It is my intention to request the Civil Service Commission to make a re-classification or readjustment of these two classes, and so secure to them adequate recognition of their services.

Mr. BENNETT: The other day the Postmaster General made the statement of his own volition that he had seen fit to introduce legislation reducing the postage on papers by 33⅓ per cent. Last year we got $1,500,000 for carrying 45,000 tons of newspapers through the mail. We have now reduced the rate 33⅓ per cent with the result that we shall lose $500,000 in revenue which will go into the pockets of the rich publishers of the country. Nobody asked the minister to make that reduction and if he had retained the revenue we shall now lose he would be in a position to-day to give the mail clerks and letter carriers the $60 mentioned by the leader of the opposition. The letter carriers of the country carry 100 tons of newspapers per day.

Mr. VENIOT: No, they do not.

Mr. BENNETT: Well, the newspapers and magazines carried last year in Canada totalled 45,000 tons. Deducting one-third as the quantity delivered otherwise than by letter carriers, we have 30,000 tons carried by these men, or approximately 100 tons a day.

Mr. VENIOT: If my hon. friend's calculations were correct I would agree with this statement.

Mr. BENNETT: The Postmaster General will find that the letter carriers are carrying on their backs 100 tons of mail matter per

day They are to receive about 78 cents a week increase in pay while the proprietors of the newspapers, without any solicitation on their part, are to get $500,000. We should keep that money and give it to the letter carriers and the railway mail clerks. That is one point I want to make. There is another suggestion I would offer the government, and that is with respect to railway mail clerks. I think the government should consider the advisability of carrying an insurance policy, covering the lives of these men, of from $3,000 to $5,000. Having regard to the fact that these employees work in the very front of the train, I think the state might well provide a system of insurance for them. I think these 4,700 men are being very badly used. Their danger has not been appreciated. The minister says frankly that he will do something to meet the situation and of that we are glad. I do think, however, that the money which is being given to the publishers of the country as a result of the reduction in the rate on newspapers might go to the letter carriers, who I repeat carry 100 tons of mail matter on their backs every day.

Mr. ROBINSON: I have received from the letter carriers of the border cities a statement showing that in 1924, until March 1, they were receiving $1,557 a year while from April 1, 1925, they received $1,440. In 1926, with a bonus of $18, they got $1,458. These letter carriers, owing to their arduous duties, seldom remain in the service the 35 years, or whatever happens to be the period of service that entitles them to superannuation. Having to climb stairs and hills with heavy mail matter on their backs, they succumb to the strain in a few years. In places like the border cities, where the cost of living is high and rentals are double what they are in cities like St. Thomas, Chatham and London, the letter carriers should receive a bonus. In St. Thomas, for a frame house of six rooms a rental of from twenty to thirty dollars a month is charged, and for the same house in the border cities it is anywhere from forty-five to sixty dollars a month. Having studied the condition of the letter carriers I am quite sympathetic towards them and I urge the minister to take this matter into his serious consideration and do something to help them to meet the cost of living.

Mr. TOLMIE: I want to endorse what the minister has said with regard to the necessity for a reclassification of these men. When may we expect it to be done?

Mr. VENIOT: That depends on the authority to whom we have to apply. I can assure my hon. friend that there is no man who has a greater sympathy than I for the employees of the civil service in all classes, but especially for those men who have to deliver letters and mail.

Mr. GEARY: I take for granted that the object of those in charge of the salary revision is to continue paying to the employees of the government at least a living wage. The living wage in 1924 was admitted to be $1,458; that is to say, the salary was only $1,260, and in order to bring that up to a living wage a certain bonus was added, of which I believe $99 was removed by some sort of revision. But what happened in 1924 when the revision took place? There was no change in the cost of living but the sum of $180, previously called bonus, was called salary; with the sequence to the man who received it that his superannuation percentage would be deducted from that amount, which had not been the case with the bonus. No one can say that between 1924 and 1927 there was any substantial decrease in the cost of living; rather, I think, the contrary has been the case. So if the department was alive to the fact that a man must get a living wage and that he must have some security in his labour, and implemented that understanding with a certain revision in 1924, it seems to me that the department must be bound to at least continue that salary and not call it a raise. It has not been admitted by the minister, but doubtless he will quite frankly state that the Post Office Department in 1924 recommended a salary of $1,560 for letter carriers. In some way this recommendation was tossed about between the department and the Civil Service Commission, and only this year we find the Civil Service Commission acting. I would like very much if the minister would tell us whether the recommendation now before us in regard to these classes is exactly as it was received from the Civil Service Commission.

Mr. RINFRET: I may say that it is.

Mr. GEARY: Then, Mr. Chairman, may I recall to the minister that on June 15 of last year this question was very much alive; on that date I asked a question, which is to be found at page 4492 of Hansard, as follows:

> I wish to ask a question in reference to the report on the salaries of the civil servants. I understand that action has been deferred pending the appointment of the two other commissioners, there being only the chairman at the moment. There being no Civil Service Commission fully appointed, will the question of salaries have to remain in abeyance until the next session of parliament?

To this question the right hon. Prime Minister replied as follows:

> The matter need not necessarily remain in abeyance until the next session of parliament; I hope the commissioners will be appointed long before that time. I think I can say to my hon. friend that any delay that may be occasioned will not cause any loss to the civil servants in any particular.

I submit to the committee that at the least there has been the loss of the year's increase in pay. The Prime Minister must have been talking about delay, and he must have meant that the delay would not prejudice the matter because of the fact that any increase would be postponed from last year to some time in the future. That, I think, has not been taken into consideration, though the Prime Minister must admit what I have taken his words to convey; the service were greatly reassured as to the position in which they then found themselves as a result of what the Prime Minister said.

This amount of $1,560 amounts to practically 60 cents an hour for an eight-hour day, in the neighbourhood of $28.60 per week, as nearly as we can get it. The men who are digging ditches, or rolling barrels or doing other labouring work of the most ordinary kind for the city of Toronto, are getting exactly that wage to-day, with holidays thrown in and other considerations. The postal employees are men who have to possess certain qualifications exceeding those of the labourers I have mentioned; they have to pass an examination and they must be men of intelligence and education in order to carry out their duties efficiently. May I remind this committee that during the last few years there has been a great deal of important work added to the duties of the letter carriers; they sell stamps, collect c.o.d. orders. have to do with postal insurance, and other little jobs of that sort which carry some responsibility, in addition to their regular work. But, as I remember it, as a consequence of these additions to the duties of the postman there is no increase in his salary. The revision in 1924 was not an increase; it was simply a transfer of one part of his salary; instead of being labelled a bonus it was called a salary. That condition still exists and this salary was considered necessary in 1924, so I think we find ourselves clear on the point that there is no such general increase as that suggested by the Secretary of State.

My hon. friend has spoken of a matter in this connection which I think is of importance, and about which I asked a question last night. There is a loss on the carrying of newspapers, which I think has a direct bearing on the question under discussion. That loss is a direct charge, because there is no profit in that part of the postal business. The recent action of this House on reducing the postage on newspapers, has just been described as a direct bonus to the proprietors of certain newspapers, which I understand to be the larger ones because smaller ones have written me protesting against the reduction. I understand further that some of these newspapers canvass their district and give bonuses to obtain yearly subscriptions, and that in some cases you will find a newspaper offering a kewpie doll for a subscription. If that is the case, this government is assisting those newspapers by buying kewpie dolls for the purpose of increasing their circulations. That act has passed, but it has an effect on this question, because I think the government should say whether they are prepared to grant this request to the proprietors of newspapers, while they will not accede to the request of a working man who is not getting more than enough to maintain a decent standard of living. There is no use calling that $18 a bonus; it has become a permanent part of the letter carrier's salary, but that is now lost to him as against the $60 increase. There is not a general increase of $120, and it does seem to me that the minister has not made out a good case to support his statement that an increase of $240 has been made since 1924. I submit that a salary of $1,560 would be a reasonable salary for these men, and I would again remind the committee that in 1924 the department recommended that that salary be paid. So I do press very strongly the claims of these men to be treated adequately and fairly; it is not an extravagant amount, and it seems to me the people of this country would be well satisfied to see these men receive a wage commensurate with the cost of living and with the conditions under which men employed by this government should live.

Mr. EVANS: May I ask the Secretary of State if he would make a statement regarding the civil servants employed by the Soldier Settlement Board? Are they to remain in the temporary class, or will they be considered permanent, and is it intended that they should share in this increase and in the superannuation?

Mr. FORKE: I may say that that matter is at present being considered by the government.

Mr. ROSS (Kingston): May I ask the Postmaster General one question? He has promised to deal with two classes in regard to which there is some dispute. There is a third class that deserve consideration. I refer

to the postal clerks in cities, being those of large size down to the smaller ones. I think the officials of his own department admit that these employees should be in another class. I was in his department the other day, and the officials admitted that there ought to be something done in that regard. I would therefore ask the minister if, in undertaking a reclassification of mail clerks and letter carriers, he would carry out also a reclassification of the employees to whom I have alluded.

Mr. VENIOT: I would not undertake to make a reclassification. The statement I made was that I would look into the matter and see if a reclassification is justified. Before I make a promise of that kind, I should like to see whether I would be justified in doing it or not. However, I will look into the matter.

Mr. SPENCE (Parkdale): Much as I sympathize with the Secretary of State, I do not see any reason why, if he exercises good judgment, he cannot get out of the entanglement which seems to exist in connection with this matter. To my mind the course he should pursue is to use everybody alike. There never was a reclassification which was satisfactory to the civil service. I have never heard of such a one yet, certainly not in Toronto, and I have lived in that city for forty years. The reclassification in the present case is not satisfactory to the men. What they want is an increase of pay. Let us leave the cost of living out of the question; let us get away from the question of the bonus and the increase the men got in 1923. There seems to be a misunderstanding between the men and the government. The men claim that the $60 they are getting at this time is simply an adjustment. We have a splendid esprit de corps among the men in the different branches of the public service in the city of Toronto and why should we jeopardize its continuance. If dissatisfaction exists among any group of employees you cannot expect loyalty from them, and if you do not increase their salaries you will arouse a feeling of dissatisfaction. Personally, I think their salaries should be increased. I have no particular sympathy with a discussion of this kind, nor have I ever listened to representations by the letter carriers or mail clerks. I have received letters and telegrams on the matter but have never read them. However, I have been in business long enough to know that you must satisfy men before you can get loyal service from them. Our letter carriers and mail clerks in Toronto are good all round men. I am not talking for the sake of getting votes, nor with the idea of promoting any political object. But dissatisfaction has been so rife and calamity howling has been going on for months to such an extent that I think we ought to give these employees the increase in salary for which they ask. Then let the matter rest for another five years unless an increase in the cost of living necessitates action at an earlier date. We all know how efficiently the mail clerks perform their work. We all know how well the letter carriers discharge their onerous duties. I have seen letter carriers issuing from post offices so loaded down with mail matter that the burden was enough to kill two men let alone one. The letter carriers in Toronto are certainly not getting a fair wage for the work they are doing. In the business world there are a number of men who are paid more for doing less work. If business men treated their employees as the government does mail clerks and letter carriers, they would not get any loyalty at all. I think the best plan to adopt would be to give this increase of $120 and bring about the readjustment for which the men are asking. In order to put an end to the bickering and complaining I would say: Make it an increase of $120 all round and let it go at that.

Mr. LAVIGUEUR: Last week I read to the House a telegram which I had received from Branch No. 5 of the Federated Association of Letter Carriers of Quebec, who complained that they were suffering from discrimination in the matter of the $120 increase and asked for a reconsideration of their case. The hon. Secretary of State announced at the time that the claim of these men would receive consideration. I understand that the Postmaster General now states that he is willing to go into the matter again, that he is willing to meet representatives of the men and discuss their claims, and see if the classification cannot be changed. May I say that I would view with great pleasure any arrangement that would give satisfaction to these worthy employees of the Post Office Department.

Mr. PETTIT: I wish to endorse all that has been said on behalf of the letter carriers, and that remark applies also to the railway mail clerks. There are no more faithful officials in any branch of the civil service than the mail clerks and the letter carriers. They are mostly married men with families, and in my opinion they have been receiving far too little remuneration in the past for the splendid services they render to the public. The amount of increase now proposed is, I believe, not at all adequate; it should be substantially larger.

It strikes me that when we in this House vote large sums of money in connection with material things—votes which might be very much less in many instances—we ought not to be too niggardly when we come to deal with our fellow men. I say this while at the same time having due regard to the pockets of the taxpayers. I trust—and I urge the matter as strongly as I can—that the government may yet see its way substantially to increase the salaries paid to these public servants.

Mr. SPENCER: I just wish to refer for a moment to the second lot of exceptions that the minister mentioned, namely, those concerning the senior stenographers and clerks. I notice from a memo I have in my hand that in the reclassification of 1919 senior employees were classified as senior clerks with a minimum salary of $1,320 and a maximum of $1,680 In 1924 they were reclassified, and the trouble seems to be that some of those who had got to the maximum were put into grade 3 class instead of into grade 4. The result is that it leaves them in this peculiar position: As many of the clerks classified in 1919 as senior clerks were debarred in 1924 from the fourth grade, they were placed as grade 3 clerks, although at their maximum of $1,680, and in this way did not receive any assistance in 1924, being revised downward instead of upward. In 1927, they are advised they cannot receive the $120 increase as the maximum of their class is now $1,620, and as they stand at a maximum of $1,680, they are beyond their class, or in other words have reached a dead wall so far as promotion is concerned. It would therefore appear that these grade 3 clerks at a maximum of $1,680 should be placed in grade 4, or that in some way their standing should be bettered in order that they may receive the $120. I should like to ask the Secretary of State if it is possible to place those, who, I understand, number 400, in grade 4 and give them an opportunity of an increase?

Mr. RINFRET: I touched that very point in my explanation and perhaps the hon. member will be kind enough to refer to Hansard. I suggested that they should receive an improvement by promotion, but that it would be unwise to grant them an additional increase because they are already above the maxima of their classes.

Mr. SPENCER: How are they to get promoted if they are above their maxima?

Mr. BELL (St. John): I have telegrams from letter carriers in St. John, N.B., stating that under the plan now proposed the net increase which they will receive is $39. Will the minister kindly let me have his view as to that?

Mr. RINFRET: Similar telegrams were sent to every member and we have already discussed the matter very fully this morning. The Postmaster General has made the declaration that he will look into the matter again. Perhaps my hon. friend will now agree to let the item pass.

Mr. BELL (St. John): I was unfortunately out of the House this morning.

Item agreed to.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

IMMIGRATION AND COLONIZATION

Immigration contingencies and general expenses, including grants to immigration and colonization societies associations, women's hostels, as may be authorized by the governor general in council, $1,300,000.

Mr. EDWARDS (Frontenac): My remarks will be of a more or less general character. I think it may be taken for granted that it is the practically unanimous opinion of the people of Canada who have given any thought to the matter at all that we want more population in this country, in order that the burden of our responsibilities may be spread over more shoulders and rest more lightly on each individual. But immigration is not merely a problem of numbers or a question of getting a number of people to come to Canada. It is as well a problem of the possibility and advisability of mixing old world and new world racial and cultural characteristics. It is a problem which has to do with the future of Canada and the part which Canada will play in the history of the world. It is very interesting to note that Canada's population in the last thirty years has followed almost figure for figure the population of the United States in the same period one hundred years ago. That is to say our population in 1900 was practically almost the same as that of the United States in 1800. Our population in 1910 was almost identical with the United States in 1810, and our population in 1921 almost exactly the same as that of the United States in 1820 if it had not been for the intervention of the war. In the last century the United States brought into that country from foreign lands over 36,000,000 immigrants.

Immigration to the United States reached its peak in 1907, the figures showing for that year 1,280,000 immigrants. For a period of ten years the immigration figures of the United States were between 800,000 and a little over a million. The war showed that in the United States—and I say this from the study I have given to the matter—they had a large percentage of population they could not depend upon in a national crisis; in other words, they found they had a considerable percentage of population which had not become Americanized. That fact was so thoroughly impressed on the United States during the war that it led them to adopt a quota system the basis of which was three per cent of the census of 1910; later the basis was the census of 1890 and the quota was two per cent. I will not give figures as to just what that meant in the way of reduction in the number of immigrants coming from certain parts of Europe into the United States. The quota system was adopted with the idea of lessening the immigration to the countries from the south and south eastern part of Europe, and giving such encouragement as they could to immigration from the northern part of Europe and the British Isles, from that part of Europe which in our immigration regulations is specified as area No. 1, so far as Europe is concerned. I would like to quote here from a statement made by President Coolidge to Congress on December 6, 1923, in regard to this matter. He emphasized the view that the United States should adopt a policy of numerical restriction based on a census prior to 1910. That was carried out on the two per cent quota of the census of 1890. I quote a paragraph from President Coolidge's message which I think we, as Canadians, would do well very carefully to consider in regard to our attitude towards immigration. President Coolidge said:

> America should be kept for Americans. For this purpose it is necessary to continue a policy of restricted immigration. It would be well to make such immigration of a selective nature with some inspection at the source, and based either on a prior census or upon the record of naturalization. Either method would insure the admission of those with the largest capacity and best intention of becoming citizens. I am convinced that our present economic and social conditions warrant a limitation of those to be admitted. We should find additional safety in a law requiring the immediate registration of all aliens. Those who do not want to be partakers of the American spirit ought not to settle in America.

That paragraph in the statement of President Coolidge might be paraphrased by inserting the word "Canadian" where "American" is used, and may with good judgment be accepted as the policy we in Canada should adopt. I believe we are rapidly nearing the time when we must, to a greater or less degree, accept that as the logical position for us to take in our immigration policy That is to say, that we should have in mind, not merely the getting of so many tens of thousands of people to come to Canada as immigrants, but we should also consider the possibility and the ease with which these immigrants can be Canadianized and converted into Canadian citizens, as we want them to be. I make that statement and I wish to justify it by showing in my estimation the plan we ought to follow. If Canada were to adopt the quota system on the three per cent basis, in proportion to our population, we would be taking in as immigrants each year from 15,000 to 20,000. That is in proportion to our population as compared with that of the United States, we would be taking in 15,000 to 20,000 each year. That is to say, if we accepted the United States position as sound, that the United States, with a population of 120,000,000, can only—and this is exactly what they say—Americanize a certain number of people from foreign countries within a year, and therefore they restrict their immigration to that figure, then in proportion to our population as compared with theirs, we would only be able to take in from fifteen to twenty thousand immigrants from continental Europe. Manifestly we cannot place this restriction in immigration, and no one would think of suggesting its being put into force.

But I want to submit a suggestion in regard to juvenile immigration. We are told in this report, and we have every reason to accept it as absolutely correct, that every year in the United Kingdom some five or six thousand boys and girls leave school without any job to go to. We are also told that we might reasonably expect to bring a large proportion of those boys and girls to this country under some plan of juvenile immigration. The report, in referring to a number of organizations engaged in immigration work, mentions the British Immigration Aid and Colonization Association, with headquarters at Montreal, as the only purely Canadian organization engaged in bringing boys to Canada. The organization has only been active since 1924. I might point out that of the 1,862 boys and girls brought to this country by the various agencies during the year ending March 31, 1926, 446 boys were handled by this organization. The next in the list was the Salvation Army, which brought out 464, of whom 379 were boys.

There is another point in this connection that I want to mention. On page 9 of the report reference is made to the number of applications received by the various organizations and the number of children sent out by them. I draw the attention of the minister to the fact that whereas the Salvation Army received 2,560 applications, it sent out 464 children; but the British Immigration Aid and Colonization Association received 479 applications and sent out 446 boys. Why is that? As a matter of fact I know because I had a great deal to do with this organization starting along this line of juvenile immigration. The reason is this, and I commend it to the attention of the minister. From the time that society started to operate it laid down the principle that not a boy—they do not bring any other than boys of teen age—should be placed on board vessel at Glasgow or Liverpool until he had a place to go to when he arrived in Canada. There was nothing haphazard about the association's plan at all. It has worked out surprisingly well. May I add that the plan inaugurated by this particular association so impressed Premier Ferguson that he has instituted a juvenile movement through the provincial farm at Guelph. I believe the premiers of the other provinces as well as the Canadian Pacific Railway and the Canadian National Railway are convinced that the juvenile movement is one of the very best that we can encourage to bring young immigrants to this country. I think it is the best, for two main reasons; many others could be given. First, we should encourage to the limit the bringing of boys of teen age from the old country because such boys, according to statistics, show a higher percentage of literacy than our native-born Canadians, and such ideas as they have learned in the mother country, of government and civil institutions are the same as ours. So there is no trouble whatever to Canadianize those boys. And they speak our language. The second reason is that probably all over the Dominion, certainly throughout Ontario and Quebec and the prairie provinces, thousands of our farmers are in need of help, and for lack of it their farms are not producing to anything like their full capacity; they cannot afford to hire a married man, and give him a wage sufficient to maintain himself and his family; and consequently they are very anxious indeed to get these boy immigrants. In a word, the movement works well from the standpoint of the farmers to get them much needed help, and from the standpoint of the boys to get them farm jobs. If there is anything like proper supervision of the boys after they go on the farms I believe that practically all of them will make good in the future as they have in the past.

As I said before, I think the Minister of Immigration has adopted rather a harsh attitude towards the Salvation Army. That organization has been bringing out the class of boys that the farmers of this country are asking for. I believe that every boy brought out by the army has cost it between $70 and $80 after taking into consideration the government grants, for the army authorities inform me that before bringing a boy to Canada they have to look after him for a period varying from six to twelve weeks. I do not regard it as a handicap to such boys to enter into an arrangement with the Salvation Army to pay back a certain amount of money to assist the army in continuing their work. I repeat, I do not agree with the policy which the minister is pursuing in regard to the Salvation Army. And we are not carrying out that policy all along the line. As I said before, immigrants from continental Europe are handed a certain amount of money by immigration agencies to enable them to prove that they are not entering the country as paupers. That money they have to pay back to the organization with, I believe, a considerable addition in the way of profit, and that money is turned over again to bring out more immigrants. If it is a handicap to the boy to have an arrangement with the Salvation Army to pay back $70 or $80, then logically it must be equally a handicap to the class of immigrants I have referred to to pay a large percentage of profit or a commission to the immigration organization that advances the money to enable them to comply with our regulations. Having regard to the work which has been done by the Salvation Army and similar organizations in bringing out boys to this country, and in view of the report of the inspectors as found at page 9, showing the percentage who are making progress, good, fair and poor, the character and behaviour of the boys, and so forth, I say that this line of immigration is one that commends itself strongly to me. The minister has admitted that there are operating in Canada and the United States some twenty-eight clerics of one denomination engaged, as he says, in the work of repatriation; that is to say, I suppose, they are engaged in trying to induce French Canadians who have gone to the United States to return to Canada. That is a commendable work, although I am doubtful whether these clerics devote all their time across the line to bringing French Canadians back into Can-

ada. A good deal of their time, I think, is spent in inducing French Canadians to go from Quebec to the other provinces of this Dominion and plant colonies in other parts of the country; they are not merely engaged in getting French Canadians to return from the United States and re-settle in Canada. I put this to the minister in all fairness. He has seen fit—and I do not quarrel with this feature of his work—to appoint twenty-eight clerics of the Roman Catholic church to engage in immigration activities, while there are no Protestant ministers similarly engaged in Canada and the United States. These twenty-eight clergymen to whom I refer are under salary or under part salary and expenses, according to the minister's own report. Furthermore, there is in Great Britain only one cleric, of the same denomination, who is in receipt of a salary of $1,800 and $1,600 expenses. I do not think that anyone will quarrel with that salary; it is not exorbitant. And so far as Father MacDonnell is concerned, he has done efficient work in bringing Hebridians out to Canada. As I say, I have no fault to find with that. I want to point out to the minister, however, that there are twenty-eight clergymen of one denomination engaged in this work and no minister of any other denomination in either the United States or Canada. In immigration work in the old country there is only one cleric, of the same denomination as the twenty-eight, and no cleric of any other persuasion. Now having regard to these facts, and the further fact that there has been a disposition on the part of the department to deal generously, or at any rate not unfairly, with this particular denomination, I feel all the more strongly that the minister was wrong in imposing upon the Salvation Army such restrictions as he did. I do not say that his department is to be censured in regard to the twenty-eight or thirty clerics of one denomination about whom I have been speaking; but having shown that disposition towards that denomination the minister, it strikes me, might have been somewhat more generous and have given a little more latitude to the people of other denominations engaged in immigration work and who have proved in the past their ability to further immigration into Canada.

In a return tabled a few days ago I find that during the year ending December 31 last 135,984 persons came to Canada. In looking over the list I see that they represent fifty different nationalities in Europe. Forty-eight thousand of these immigrants were British while 20,000 came from the United States. I favour that kind of immigration for the reason I have already stated: such people are easily assimilated and Canadianized because their institutions and language are the same as ours. Their ideas of government also are practically identical with ours. I find that from area No. 1 in Europe, that is to say, Germany and Scandinavia, which have always been favoured, and properly so, in our immigration arrangements, there came about 19,000. That leaves about 47,000 or 48,000 from other countries. Now I do not say anything against these various nationalities, but in my judgment it would have been far better had those 48,000 people who came from various countries in Europe been brought from Great Britain and the United States. If we are going to build up this country with a population who will appreciate the part Canada is going to play in the progress of the world in the years to come we shall be forced to give some consideration, if not exactly to adopt a quota system such as is in force in the United States, at least to some selective immigration policy. We must deliberately select people from those parts of the world where the ideas of governments are similar to our own. People coming from those countries are easily assimilated here and they fall in line readily with our customs and our institutions. In other words it is incumbent upon us to devote our energies in the years to come to bringing into Canada immigrants from England and other countries in Europe where conditions are much the same as they are in Canada. Such people will the more readily work hand in hand with native born Canadians to build up this Dominion. After all, the responsibility for Canada's future rests on the shoulders of her native born sons. The first and primary responsibility is theirs, and it is an important one. If we want assistance from outside let us therefore select our immigrants from among people who will most easily coöperate with us in our endeavour to develop Canada along the lines of true progress.

Mr. MacLAREN: Will the minister state definitely what arrangements his department has made with the government of New Brunswick in reference to coöperative immigration measures?

Mr. FORKE: I do not think I can fully answer that question. The problem is threefold, but so far as the arrangement between the Department of Immigration and the government of New Brunswick is concerned it is settled.

Mr. MacLAREN: What arrangement has been made?

Mr. FORKE: There is an arangement with regard to the extension of what is known as the three thousand family scheme—that is, the bringing of families into New Brunswick. It is a three-way arrangement, to which the Overseas Land Settlement Board has already agreed; it is not quite completed, but is really an extension of the three thousand family scheme. I do not know whether the hon. member knows exactly how that operates; it is an arrangement between the province, which will provide the farm, the Imperial government which advances £300 to the immigrant, and the Department of Immigration which looks after them and places them on the farm. That is the scheme in the rough, but I cannot exactly define it for you; it is not completed so far as the Imperial government is concerned, but there is no doubt it will be carried through. We hope to place 200 families on farms in the maritime provinces this year.

Mr. MacLAREN: Has it any particular reference to boys and girls?

Mr. FORKE: Nova Scotia and the department have a boy scheme in conjunction; New Brunswick is carrying through its own boy scheme, receiving the same assistance all organizations receive in the way of free passages and the granting of $10 for every boy brought over.

I do not want to delay my own estimates, but while I am on my feet I would like to say that I thoroughly agree with the remarks of the hon. member for Frontenac (Mr. Edwards). Perhaps I should have left this alone, but I have always felt Quebec to be in a little different position from the other provinces. The people are almost entirely of one race, and we spend very little money on immigration in that province. My hon. friend has stated the case fairly and fully; it is all out in the open, whether it be wise or not, and that is the reason why these people have been allowed a certain latitude not given others.

Mr. IRVINE: I would like to ask the minister if he does not think the industrial life of Canada is pretty well over-balanced now, and that as a matter of fact we have too many farmers as compared with the number of men employed in other industries? It would seem to me that the policy of the department is going to further over-balance our industrial life, because too many farmers will reduce the price of wheat just as too many labourers will bring down wages.

Mr. FORKE: I have considered that question and I find that when this Dominion was exporting 100,000,000 bushels of wheat we did not have as good a market as we now have when we export 400,000,000 bushels, so I am not very much afraid. The world has never had too much food in all the experience of humanity, so there is not much danger that we are going to produce more food than the people require.

Mr. GARDINER: I would like the minister to give a brief outline of the policy of the department. Since I have been in the House, this is the first time we have had a Minister of Immigration who was responsible for that department only; previously another minister has had charge of this department. Consequently I think the minister might give us a brief outline of the proposed activities of the department, which will possibly save a great deal of discussion later on.

Mr. BENNETT: Before the minister answers, there is a question I would like to bring up and which I am under obligation to ask him. In December last the divisional commissioner of the department wrote to a gentleman who was arranging to have his brother come to Canada, as follows:

> I beg to advise that the department has been unable to find a record of your admission to Canada in January, 1904, either at Montreal or at New York. However, the Department of the Secretary of State have advised that you became a naturalized citizen at Calgary on the 6th October, 1908, when you claimed to be a labourer by occupation, and a former national of Russia.
>
> Kindly consult with fellow passengers—
>
> Twenty-two years later.
>
> —in order to obtain correct information regarding your sailing and landing in Canada. Did you proceed from Montreal to New York, or vice versa?

Here is a gentleman who came to western Canada; he married an English woman and they now have two children, one a promising student in high school and the other working in the community. This poor man looked upon this letter as a sort of terrorist reign of Russia, and he thought when he saw these departmental officers going around inquiring about him that he was under conditions again which he had left Russia to escape. I think the minister will realize this is carrying the matter to an extreme, and I do hope he will take some steps to see that that is stopped in Canada. A man who has been a Canadian citizen for eighteen years, who is married and has a family, is being pursued and harassed and cannot quite understand why. Cannot something be done by the minister to stop iniquities of this kind?

There is another matter of which I would like to speak, and that is this permit busi-

ness, by which men are held up to the tune of $100 or $150 to secure permits. This is a public scandal; it existed before the minister came into office, however, and I do not want him to think I am blaming him for this practice. It should stop, however, and if the minister coming into the department fresh, with the power he has with the men of his group, will merely say that this thing will stop, he will be doing a public service and will prevent this country from becoming a by-word in foreign countries whose nationals are compelled to pay this sum for a permit to enter the country. The regulations should be clear and impartial; they should be applied to one as to another; there should be no favouritism shown Jones which may not be shown Brown and everyone knows that is exactly opposite the present practice. Let him stop that practice and he will have done a great service in maintaining the reputation of Canada abroad and at home. If he will do that, and will deal with this other matter by giving instructions that men should not be so harassed, after having been Canadian citizens for eighteen years, because they want to bring some relative into the country, he will be doing another great service. I do not want to take up too much time of the House but I was under obligation to a great many people to take up this question, and I have done my duty as well and as briefly as I could.

Mr. CAHAN: Mr. Chairman, there is no department of government with the administration of which I am in less agreement than with that of the Department of Immigration. I had intended during this session to move that a committee of the House consider the whole matter of immigration, from the passing of the orders in council governing immigration, down to the administration of that department, but inasmuch as the session is short, and also since we have a new minister, after consulting with a number of members of the House it was agreed that it would be well to allow the new minister to have at least one year in which to investigate his department and to bring down a satisfactory explanation of the future policy of that department. I believe that next session a considerable number of members of this House will expect such a statement from the Minister of Immigration.

Mr. NEILL: I rise to endorse to a large extent the request of the hon. member for Acadia (Mr. Gardiner), only I wish to define certain things which I would like the minister to emphasize. Together with the hon. member for Acadia I would like a definite statement placed on Hansard for the information of the country; I have tried to get it privately, but have not succeeded. I would like to know what are the various assisted policies of the Department of Immigration. I am not concerned with those schemes which require or desire that immigrants should come here at their own charges. I am primarily concerned with the different schemes by which the public money is expended in helping people to come to this country, and I think it would be perfectly proper that this vote should not pass until a definite statement has been placed before the committee so that we may know what the policy of the department is. Beginning with the scheme for bringing out boys, we are entitled to know what is paid in connection with the scheme, who has the handling of these boys, and so on. A long statement is not needed, but only a brief summary of the cost and method in each case.

Then we come to coöperative societies like the Salvation Army. Next we have the scheme by which farm labourers are assisted to come out, and they are helped in some way that is somewhat shadowy. I find now that there is a subsidiary scheme, so to speak, by which the farm labourers are divided into two classes—the experienced farm labourer and the inexperienced farm labourer. I should like to get particularly what constitutes an "inexperienced farm labourer", because if he is not just simply a common, ordinary labourer, I do not know what he is. If he has not had any experience of working on a farm, how can he be classified in connection with farm work? That is some sort of subterfuge adopted in order to bring practically unskilled labour into this country. Then there is the statement by which apparently the government lends itself—and yet we are told that it incurs no responsibility—to the scheme by which the railway companies advertise that they will bring out men and guarantee them employment in this country. Yet when an advertisement of that character is produced in this House and the matter is put up to the department, the department denies all responsibility. Now I want to know, and I think the House wants to know, what the scheme is in connection with railway companies, what their obligations are, and whether the department or this government does not at the same time incur some direct or indirect responsibility.

Then we have the scheme alluded to a few minutes ago, the empire settlement scheme,

and the "three thousand" scheme, whatever that may be. Perhaps they are the same, I do not know. Next there is the scheme of which I have come across traces, so to speak, here and there, and that is for loans to pay passages. I think it is some private company in Britain which finances that. If that is not the case what responsibility do we take in that connection? I have outlined all these schemes and I am sure it would be of interest to this House and to the country—and I say that in no spirit of criticism at all—to learn just what we are lending ourselves to. We are spending over $3,000,000 in this work, and I again repeat that we want to know what is involved in connection with them.

Whilst I am on my feet, and in order to save time perhaps later on, I want to say a few words on behalf of what I might call the labour section of British Columbia, if I may presume to speak for organized labour to some small extent. At any rate I know what their ideas are, and I am familiar with some of their organizations. Here is a short letter which I took out of a Vancouver paper just recently, and which I think voices a certain point of view that is very largely entertained in that city. It reads as follows:

> Sir,—I wish to draw your attention to the labor situation in the city. There are several thousand men looking for employment, men who have been in this province for years.

And remember this is dated in April when spring work is well in hand. The letter goes on to say:

> Men have been told at the employment office that the jobs are being reserved for the newcomers, and a good many late arrivals from Europe have been placed, although the city has been full of men all winter and has enough men around to do all the work that is likely to be undertaken for a few years.
>
> Just the other day twenty-five immigrants were sent up to Ocean Falls. They did not even get a chance to see the city as they were just out.
>
> This country does not require immigrants at present. It wants capital; labor will follow.

I think that is a temperate and moderate expression of the views of organized labour in British Columbia. Moreover, I think it is true that there are large bodies of unemployed men right in Vancouver to-day. I think the relief expense for a fortnight in March ran to something like $3,000. Of course we shall receive again the stereotyped reply "Oh, these are men who will not work." It is so easy to stifle our conscience by suggesting that these men will not work. But let me recite one or two things. I have here a copy of a labour paper published in Vancouver, the Labour Statesman, and I find in it cases of men who cannot be called professional loafers. These are all within a few months:

> Detective Jock Milne arrested a man for stealing $5. On investigation, he found that the man's wife and two children, aged ten years and sixteen months, had been living in semi-starvation, a small piece of bread being the only food in the house.

Policemen and detectives are not generally softhearted but this man was led to give to this starving family a goose he had just won in a Christmas raffle. Here is another case:

> Then on December 4th 1926, —— ——, Vancouver, committed suicide, by taking strychnine. He left a sick wife and five young children and a note saying he was despondent through being out of work.

Here is another case:

> On December 8th, —— ——, of Esquimalt, slashed his throat in four places. "Let me alone", he said to the police, "I cannot find work so I might as well die. I am fed up."

And next this case

> On December 6th, —— —— a Victoria man, unable to support his wife and four children, threw a stone through the window of Mitchell and Duncan, fashionable jewellers in Victoria, and calmly sat down awaiting arrest. He claimed he was desperate.

Another case is that of a man who stated that he was married, with six children, a wife, Canadian-born, and only a few cents between them and starvation. I could go on and give half a dozen more cases but I will not do so. I only read them to show that these men are typical of a certain class. If they were professional bums they would have gone to a relief agency and demanded and got relief. These are men who took their situation, and that of their wives and children, so desperately to heart that they decided to end it in another way. These men cannot be accused of being professional loafers. It only bears out the statement announced in the papers of the same date that there is a large body of unemployed men in Vancouver to-day. Now I do not object to immigrants coming to this country, I welcome them. But what the labour people say is this: We hear a great deal about protection. Protection of what? Protection of industry. The plea is put up from time to time "Do not let manufactured products from foreign countries, or even from Great Britain, come in here without imposing a protective duty in order to encourage Canadian manufactures." But when it comes down to labour which is the only asset of the worker, the working man might at least be protected from the labour of foreign countries in the matter of the only asset that he has. But is he protected? He is not. On the

contrary his competitor is subsidized. He himself came here at his own charge; he saved and scraped enough money to come to this country. His competitor is a man newly out from the old country, or from southern Europe, who has got to take a lower wage, in the latter case because of his inability to understand our language. That man is subsidized to come here, subsidized at our expense and at the expense of the working man with whom he is going to compete. That is what organized labour in British Columbia objects to; it objects that its competitor should be subsidized. Let these men come to Canada if they want to, but let them come at their own expense. But organized labour objects to an organized system of government assistance to bring in unskilled labour to compete with the already overladen surplus that is in Canada to-day. I have gone somewhat off my subject, but I would join again with the hon. member for Acadia in asking for a definite statement of the policies of the government and a brief explanation of the various schemes by which labour is brought to this country.

Mr. GARLAND (Bow River): The minister is a little backward in giving the explanation to which the House is entitled.

Mr. FORKE: I rise with no other intention.

Mr. GARLAND (Bow River): I know, but you were sitting there very quiet.

Mr. FORKE: I am getting old and stiff and it takes me some time to get up. But I should like to reply to what the hon. member for West Calgary said about permits. I wish the stopping of permits were as easy and plain as he seems to think it is. We have the Immigration Act, the regulations and the orders in council which lay down the law exactly in the matter of the admission of immigrants into the Dominion, but unfortunately there is a clause which permits the minister to override all these rules and regulations and orders in council. If this was only a matter of business, it might be easily got over, but elements of compassion enter into the circumstances so that a man is often compelled, simply on compassionate grounds, to issue permits.

Mr. BENNETT: Send the permit direct to the person.

Mr. FORKE: I can assure the committee that I would like to do so. Since I came into the department my heart has been sore many a time over the question of issuing permits because I could see how much suffering and grief was caused to persons anxious to get permits when I could not conscientiously see my way clear to issue them. I have no sympathy whatever for people who use these permits in order to make money, and if I can stop this practice it will be stopped. Unfortunately, however, people who have a reasonable right to expect to get a permit do not go directly to the department but to some lawyer or a member of parliament or someone else. I am not making any accusation against anyone, but the way in which this is carried on, I do not know whether someone is getting $50 or not on account of managing to get these permits. I will endeavour to stop this practice and I will issue permits only when I feel that they ought to be issued. I am sure that since I have come into the Department of Immigration there has been no increase in the number of permits issued.

Mr. GARDINER: What circumstances make it necessary to issue permits at all?

Mr. FORKE: Under present regulations only those engaged in certain occupations can come into Canada from Europe. They must be farmers, farm workers, or domestic servants. For instance, supposing a Jewish family, because they are perhaps better able than many others to assist friends on the other side, want to bring out a relative. A permit is required for this, and it seems to be a reasonable thing to issue that permit because the family on this side may be well off and the relatives on the other side may be in destitute circumstances. It takes a pretty hard-hearted man in a case of that kind to refuse to issue a permit, and similar cases come up all the time. Perhaps someone may be in perfect health but have some physical defect such as wanting an arm, or something of that kind. Under the regulations he cannot come into this country without a permit, and we have to come to a decision whether or not we shall issue a permit allowing a person with a physical defect of that kind to enter this country.

I have been asked to give a statement of the policy of the Immigration department in regard to immigration. I would be delighted to do so if I had a properly prepared statement so that I could give the committee all the information in as concise a manner as possible. But I had no expectation that I would be called upon this afternoon to make any such lengthy explanation, and I am afraid if I entered into any detailed account of the different activities of the department it would take me perhaps two hours to cover the

ground. I will therefore as shortly as I can endeavour to give a resumé of the different activities of my department.

With regard to European countries, I might say a word about the railway agreements of which we hear a great deal. We have an agreement between the department and the two big railway companies whereby they are allowed to recruit in certain countries in Europe a certain number of immigrants of the farmer type.

Mr. SPENCER: Why only the farmer type?

Mr. FORKE: It was thought that was the type of people whom we could most readily assimilate, and as a matter of fact we have more demand for farm labourers than for almost any other class of immigrants. That has been my experience, and whether that policy is right or wrong, it is the present policy of the department. Mention has been made of experienced and partly experienced farm labourers. Naturally people brought up on a farm are of a type that can make good farm labourers, but we all know quite a large percentage of them drift into other employment.

We sometimes speak rather slightingly of foreign-born immigration, but this country would take a long time to develop if we had not foreign-born immigrants. If you go around and see who is doing the heavy, nasty work, work in the lumber camps, in the sewers, the hard physical work that is perhaps not to be desired by our own people, you will find that it is being carried on by foreigners. They are not to be despised; many of them are honest people, willing to do the hard physical labour that our own people will not undertake, and we can always assimilate a certain number of foreign-born people. I agree with the hon. member for Frontenac-Addington (Mr. Edwards) that we should be careful that they are not allowed to come into this country in too great numbers so that the British-born element will not be almost absorbed by a foreign population. The railway companies undertake not to bring in immigrants from foreign countries unless they are farmers, farm labourers, or domestic servants. They also undertake by solemn agreement that when they bring them to this country they will place them in occupations.

Mr. WOODSWORTH: What guarantee have we that the railway companies will live up to that agreement?

[Mr. Forke.]

Mr. FORKE: The guarantee that we can stop them if they do not live up to it, and the written word of the presidents of the two railway companies.

Mr. WOODSWORTH: If instances should arise where men are out of work or are not suitable, what steps can be taken by municipalities to ensure that this procedure shall be promptly stopped?

Mr. FORKE: If the railways do not place those immigrants, the department has already undertaken to see that they get work. Speakers have referred to instances of unemployment and so on, but except in isolated cases, such conditions have existed in this country for a long time. The hon. member for Comox-Alberni (Mr. Neill) was citing individual cases a little while ago, but it will be found that in any country under the sun there will always be people who will be in circumstances of that kind.

Mr. NEILL: I cited two thousand in Vancouver alone.

Mr. FORKE: I have already received many inquiries from the prairie provinces as to the supply of labour for this summer, because a tremendous amount of work is going to be carried on. I am up against this proposition all the time and any minister of immigration will find himself in the same position. One class of people will say: Bring in plenty of immigrants. Another class seem suspicious of almost every immigrant that sets foot in this country. Some people say: We want only British-born people in this country. Others will say: Get the man with the sheepskin coat because he is the only one who will stay on the farm. The result is that you cannot count on the advice which you receive and you must trust to your own judgment to do the best possible under the circumstances. I am not afraid of any man, who comes to this country in good physical health, not getting plenty of work to do if he is willing to undertake it.

I might say a few words in regard to the three thousand family scheme, as it is commonly known. This is an agreement entered into between the overseas land settlement board and the Department of Immigration whereby the Dominion government undertakes to provide the farms. We have been using farms abandoned under the soldier settlement scheme. That is to say, the Immigration department selects a suitable family on the other side, and undertakes to see that that family receives the assisted passage. We take

them to the farm that has been allotted to them; we give them the after care, and then the Imperial government lends the settler £300 or $1,500, with which to buy stock and implements. This money is spent under the supervision of the Soldier Settlement Board, so that the new settler shall not be taken advantage of in the way of paying too much for his stock and implements.

Mr. NEILL: Who pays the passage money?

Mr. FORKE: The immigrant pays £2, the Department of Immigration pays £3.10 and the Imperial government pays £7.10, and the transportation companies get a rebate for the passage. Children under seventeen years of age coming out with families are allowed to come in free for settlement and the cost is borne fifty-fifty by the Imperial government and the Canadian government.

Mr. LUCAS: Do I understand the immigrant gets his passage on top of the £300 from the Imperial government?

Mr. FORKE: The £300 is loaned on a twenty-five year payment plan.

Mr. LUCAS: Does the immigrant get his passage extra?

Mr. FORKE: Yes, it is extra. A very common complaint I get through the mail from people in Canada is, "Why do you not do as much for our own Canadian people as you are doing for people on the other side?" Well, what are we doing? We are giving extra care and attending to the immigrant, and he is getting a farm without a payment down, but the Imperial government is risking $1,500 to start with, and all our risk is letting him have a farm without a payment down.

Mr. GARDINER: Do you think you are taking a less risk with him than you are with a Canadian?

Mr. FORKE: You must remember that the British government is putting up the actual cash.

Mr. GARDINER: You have no security on the stock?

Mr. FORKE: Yes, we have all the security there is.

Mr. GARDINER: Is that on behalf of the British government?

Mr. FORKE: No, we pay fifty-fifty with the British government. We cannot lose the land, and all the risk is on the stock and implements. The Imperial government will risk half if the Dominon government will risk the other half. The reason we can carry out the scheme is that the British government is putting up the £300. I do not think any government would turn down an offer of that kind, getting a family on the land with $1,500 to start with.

Mr. GARDINER: Would you give the same opportunity to a Canadian who has his own stock and equipment? Would you provide him with the land and let him go on the land without any payment?

Mr. FORKE: My experience in western Canada is that if you can get a likely man with stock and equipment to go on the land, it is a good proposition.

Mr. CAMPBELL: The minister admits that a Canadian cannot secure the land for a term of twenty-five years?

Mr. FORKE: The conditions are not the same. We are working on some scheme by which we can help our Canadian boys who would like to start farming. I hope I shall be able to arrange a scheme of that kind to help young men who want to go farming who have the right ideas, so that they may get some assistance.

Mr. GARDINER: Was this policy entered into before you came into the department?

Mr. FORKE: The three thousand family scheme was in operation before I came. We are using every endeavour to encourage boy immigration. We are willing to enter into negotiations with any of the provinces with regard to bringing boys out here, having them trained and put in a position to go on the farm or into some occupation. I think I might lay this memorandum before the House and probably save time—

Mr. GARDINER: Put it on Hansard.

Mr. FORKE: Very well. This memorandum gives an account of the system and tells about the assistance given to the different organizations. It reads:

Passage Assistance

The empire settlement agreement provides passage assistance for,—

(a) Farmers and their families.
(b) Single farm workers.
(c) Domestic servants.
(d) Juveniles.

We formerly loaned the regular transportation rate. Last year we got the rate reduced and secured a further reduction this year. The rate is reduced by contributions from the British government, the Canadian government and a rebate by the transportation companies.

This brings the cost to the migrant down to a very low rate. The transportation companies give a rebate of £4 on the ocean fare. The Canadian government makes a cash contribution of £3.10 on the ocean fare. The British government contributes in cash the equivalent of these two, or £7.10. All the above go to the reduction of the ocean fare.

The British government makes a further contribution towards passage, both ocean and rail. This is on a sliding scale dependent on where the immigrant settles in Canada. Against this additional contribution by the British government we undertake aftercare to the same amount. The average cost of aftercare is estimated at from £5 to £6.

The children belonging to agricultural families get free passage if under seventeen years of age. The cost is shared on a fifty-fifty basis by the Canadian and British governments. There is a special ocean rate of about £11 given to these children.

The adult migrant is supposed to pay his own way though loans are still made for heads of families and to a limited extent to domestics. The migrant now pays just £2 for ocean passage and a very low inland rate. The migrant's rate from any British port to Toronto is £3.10 and to Winnipeg £4.10.

Juveniles such as those coming under the Salvation Army, Barnardo's, Vimy Ridge and the British Immigration Association's schemes, are given free passage. A fixed grant of $80.00 per boy or girl, between 14 and 17, is given to the emigrating agency. One-half of this is paid by the British government and the other half by ourselves. If the children come to points east of Manitoba (where nearly all the children have for years been placed) the grant more than covers the cost of passage.

Juveniles are of two classes, (a) those coming through the ordinary established agencies like Barnardo's, etc., such children being wards of the society both in the British Isles and in Canada. The other class is the boys from private homes and these boys are being brought by the Ontario government, the British Immigration Association of Montreal and others, in coöperation with ourselves. All juveniles given the passage grant of $80.00 must be between 14 and 17 years of age. Our contribution to Vimy Ridge and the British Immigration and Colonization Association of Montreal and others as they come into the scheme, is on the basis of $10.00 per boy. We say, for example, to a province, that if they will undertake to handle 500 boys per annum and make a contribution of $5,000 towards the work, we will contribute $5,000 and secure $10,000 (the equivalent of the two Canadian contributions). All these contributions go to the upkeep of the reception and training farm. The $10,000 is from the British government. For all boys going west of Winnipeg or points west the allowance is now $100.

If I had known hon. members had so little information about this matter I would have prepared a statement outlining the whole immigration policy and placed it before the House, because I feel certain that if the members of the House understood all the activities of the department and generally knew what we were doing, they would realize that we were making an honest attempt to carry through a sound immigration policy. I may say as a practical immigrant who has lived here forty-five years that there are not many phases of immigration and settlement of which I have not had practical experience, and I am only too anxious to do all I can, not only to assist immigrants but to see that they are properly settled and placed in positions where they can do well for themselves. I realize that the colonization end of the Immigration department is really the important end of the whole business.

In reference to getting British immigrants, I often hear the question, "Why do you not go to the same trouble in getting British immigrants that you go to in obtaining immigrants from the continent?" That is altogether wrong. We spend a great deal of money in endeavouring to get British immigrants. We spend no money on the continent. We give assisted passages to the British immigrants. I think if the transportation companies, instead of giving assisted passages, could see their way to reduce the fares very considerably and require everyone to pay his own fare, it might be better. No one who is British-born has any difficulty in getting to Canada; if he is healthy and physically fit the door stands open to him no matter what part of the empire he lives in. With the European countries the situation is different. It is beside the mark to say that we are not using every endeavour to get British immigrants, because the door is wide open.

Mr. WHITE (London): There is no discrimination in the case of British immigrants?

Mr. FORKE: No.

Mr. DICKIE: Has the government in view any action, in concurrence with the British government or otherwise, in regard to placing these British immigrants in British Columbia?

Mr. FORKE: The conditions are open to all parts of the Dominion; we are willing to enter into an arrangement with any of the provinces.

Mr. DICKIE: Has anything been done with regard to British Columbia?

Mr. FORKE: We have placed many immigrants in British Columbia.

Mr. DICKIE: I would like to place on Hansard a memorandum with regard to these immigrant boys. This is taken from Lord Clarendon's official report, following his personal inspection last year of British family settlement, during which he motored over

6,000 miles and personally visited nearly 200 of the British families on their farms. He says:

> We have no hesitation in saying that the British family settlement scheme has thus far proved a conspicuous success, and promises to become the most successful effort in colonization undertaken by any government in modern times. . . . In this report we described the origin and functions of the Soldier Settlement Board, now the land settlement branch of the Department of Immigration and Colonization at Ottawa, and have endeavoured to show how this admirable organization handled the settlement of Canadian soldiers and is now handling the settlement of British families.

Then I read from an article by Lady Clarendon, as follows:

> We have returned home with the greatest admiration for the personnel of the land settlement board, their unfailing kindness to settlers, their broad views, their patience and patriotism. If Canada, and above all a government department, can produce men such as these, then all is very well with our fellow countrymen who are giving themselves to Canada.

Mr. EDWARDS (Frontenac): I offered a few criticisms of the minister's department. In all fairness to him may I offer two or three suggestions? He has said, and quite properly, that the door is wide open for immigrants from the British Isles. We want them here. Why do we not get them? The reason certainly is not lack of surplus population in the old country. We do not get them in large numbers because our system is haphazard. For instance, there is no assurance that immigrants will get work on their arrival here. I am glad to find that the provinces are showing an increasing disposition to coöperate with the federal department, and I am going to offer a suggestion that I think can be adopted at no cost. Take a county in Ontario with, say, sixteen municipalities, each of them represented by a reeve and council; the reeve of each township represents his municipality in the county council. Now, I suggest that we make use of all this municipal machinery to secure information of how many farmers want boys or married men on their farms; this information could be conveyed to the county council through the reeves of the various townships; the county council in turn would communicate the information to the provincial authorities, who in turn would communicate with the Department of Immigration. In that way you would have complete coöperation and the latest available information of the requirements of every municipality in regard to farm help.

Suppose you get an inquiry from an immigrant; he wants to go to Ontario. You ask him where in Ontario; he answers, Hamilton. You ask him why he wants to go to Hamilton; he tells you that he has a cousin or a brother there. Very well, that is a good idea, let him go there. This plan has been put in operation in dealing with boy immigrants and has proved to be an absolute success. Prince Edward Island, New Brunswick, Nova Scotia and Ontario, through their respective governments, have issued booklets giving information of the number of vacant farms, their location and price. That is valuable data to start with, and surely you can systematize the work in coöperation with the municipalities throughout the Dominion in placing immigrants in the rural districts.

Mr. SPENCER: I have a good deal of sympathy with the views expressed by the hon. member for Frontenac-Addington (Mr. Edwards). He covered a few of the points that I intended to take up. I would ask the minister: Why should not Canadians in the central and eastern provinces who want to go to western Canada to take up what the Immigration department seems to put so much stress on, agriculture, have the advantage of the same low passenger rates as are given to immigrants?

Mr. FORKE: That is a matter for the railway companies. Besides, every province would strongly object to the department encouraging its people to move to a sister province.

Mr. SPENCER: I have heard a good deal of criticism because the man in eastern Canada is not put on a parity with the man from outside. A tremendous effort is being made to bring in people who are supposed to go on the land. I notice by the report that 50,000 of the immigrants that came in last year did not take up farming; which proves that the policy is a failure as we have always claimed it would be. I think it is a mistake to try to force people to go into any particular calling. Another point I would bring to the attention of the minister has to do with the railways. It is to the interest of the railway companies to bring in anybody from anywhere who will turn the sod and grow produce, and thus increase freight traffic, for naturally the railways are interested only in so far as they can increase their traffic. I know that people who have been brought into western Canada by the railways have taken up agriculture in certain districts, and have had great difficulty in making both ends meet. Therefore I think the department should keep in pretty close touch with the railways with regard to how many immigrants are being brought out and

where they are being placed. The department is interested not only in getting immigrants but in looking after their welfare afterwards; but the railway's interest is simply to bring the people out and get increased freight traffic.

Mr. GARDINER: With respect to the agreement that the department has with Great Britain to settle families in this country, while it is quite true that he may have inherited this policy—

Mr. FORKE: The land settlement scheme will come after this estimate is disposed of.

Mr. GARDINER: But this covers immigration; I will deal with the land settlement scheme later. When we look at it from the viewpoint of the Canadian I do not envy the minister his inheritance. While it may be all right after you have satisfied the demand of those of the Canadian people who wish to go on the land to enter into such an agreement with Great Britain, in my judgment there are some circumstances underlying that agreement which call for discussion.

The department has taken 3,000 abandoned soldier farms for the purpose of settling them with British immigrants. I want to point out to the minister that we have in western Canada to-day returned men who have their equipment and who are anxious to secure land through the soldier settlement scheme. But they are turned down, the reason being given that these lands are reserved for British immigrants. That policy is not fair to Canadians generally and more particularly is it unfair to the returned men. We owe a duty to our returned soldiers and we shall not have lived up to it so long as one returned man who is in a position to go on the land finds it impossible to secure land from the department. I would suggest to the minister that he review the whole situation. It is quite possible that he has gone so far as to be unable to draw back, but that is no reason why he should not make provision for the needs of Canadians themselves and especially of Canadian returned men. I am satisfied from experience that there are thousands of Canadians well qualified to settle on the land, men of experience who have their own equipment and who can settle without cost to the government, provided the land is given them on the same terms as it is granted to British immigrants. I make this suggestion to the minister, realizing the problem he has to solve, and I hope he will look into the matter with a view to meeting the situation.

[Mr. Spencer.]

Mr. SPENCER: I have a newspaper clipping which states that during the year 1927 more than 6,000 Hungarians will come into Canada. Is that statement true?

Mr. FORKE: I do not know anything whatever about it.

Mr. GARLAND (Bow River): I want to associate myself in one regard with the hon. member for Frontenac-Addington and that is with reference to the assimilability of certain immigrants. The Canadian Pacific Railway under this iniquitous permit system has brought into Canada in one year a total of 21,000 immigrants, 7,000 of whom were Mennonites who were unassimilable. There is no one who knows better than the Minister of Immigration himself the defects of that type of people. In my constituency they are spreading their holdings into the best wheat farming districts. They are good pay, as the vernacular has it, and they will go into a district and buy land from the private settler, and the moment they do so community life begins to lag. They take no interest in the welfare of the district and will not take part in any of our organization meetings.

Mr. BENNETT: You cannot blame them for not coming to your meetings.

Mr. GARLAND (Bow River): Nor will they attend Conservative meetings. They do not engage in any community work. As soon as they settle in a district there becomes evident a falling off in these activities. It has been contended that after one or two generations, these people become used to our customs and are almost wholly Canadian. I deny that. The experience in Manitoba where the Mennonites first settled is altogether to the contrary. In the course of time one or two or three individuals may break away from the group. These men having developed some individuality of their own resent the shackling influences of the organization to which they belong and, throwing them off, they become effective citizens. But the majority stay right where they are in the little colony group. They do not exercise the franchise nor do they share in any respect in the responsibilities of citizenship. They are not citizens and they do not become Canadians.

Mr. NEILL: Do they become naturalized?

Mr. GARLAND (Bow River): If they are forced to, but many of them do not bother their heads about it. The bulk of them are unwilling to become Canadians. Now I have

no objection to these people on the ground of their religion, for I am absolutely tolerant of all forms of belief. I am not worried about that. I do say however that the minister is not justified in issuing permits to the Canadian Pacific Railway to bring in large numbers of unassimilable people.

Mr. ROSS (Kingston): How many of them have moved away?

Mr. GARLAND (Bow River): A small section, not a material number. In my own province their colonies have been steadily growing. They are spreading out and their holdings this year are larger than they have been within my memory.

Mr. ROSS (Kingston): I understood that many thousands had moved to Mexico, taking with them some $7,000,000.

Mr. GARLAND (Bow River): Some of them went away, but I do not remember the exact number. The minister would be well advised to give this matter his serious consideration. Mr. Coats, a man for whom I have the deepest admiration and respect, a few years ago wrote an article for the Polak Institution of the United States, the most advanced scientific research organization on the North American continent. The article appeared under the title Immigration Programme of Canada, and in it Mr. Coats pointed out clearly as no other writer on the subject has done, that the reason for the tremendous influx of settlers into Canada in the early years of the century was to be found in the enormous expansion of credit and in the existence of free lands.

Mr. BENNETT: And railway construction.

Mr. GARLAND (Bow River): Exactly. There has been in recent years no such expansion of credit. I admit that this year there is an indication that credit is loosening up, and the minister may find it not so difficult to place men satisfactorily as the department has done in the past. A reference to the figures of the Immigration department will convince one of the insanity of a vast immigration scheme until we have learned how to keep at home the people we already have. I have a return from the Bureau of Statistics covering recent years. The facts regarding the more distant past are already on Hansard but it will be interesting to look at the figures more recently available. In 1924 we brought to Canada 124,450 immigrants. Our natural increase was 91,398. In 1925 we brought 84,907 and our natural increase was 88,384. By natural increase is meant the net of those who live over those who die. In 1926 the figures for the eleven months from January to November are 130,569 while the natural increase is estimated at 89,000. So that in three years we brought in 339,926 immigrants, and the natural increase amounted to 268,782. At the end of 1923 the total population of Canada was 9,150,940. Add to that the immigration for three years of 339,926 and the natural increase of 268,782 and you have a grand total, showing what we should have had if we kept our immigrants and our natural increase, of 9,759,648. But the census bureau reports an actual population of 9,390,300, and we therefore must find out what happened to 369,348 people. While our total immigration was 339,926, the actual statistics prove that we lost a number equivalent to all we brought in and 29,422 in addition.

There is a story I would like to tell which some hon. members may have heard before. Many years ago in the medical profession there was a method of testing the sanity of a person whose mental balance was questioned. If a policeman arrested a man on the street and suspected him of being in an unsafe condition, he would be taken to the police station and a local medical man called in. The medical officer would take this poor chap into the yard at the back of the station and show him a wooden barrel which had a lot of little holes punched around the bottom, and he would tell the man to take a pail and fill up the barrel from a tub of water in the yard. If the man kept walking patiently to and fro from the barrel to the tub with pailfuls of water, without paying attention to the fact that the water was running out, he would be put away where he would be safe; if he protested against this labour he was adjudged sane, and released. If that proof of sanity were applied to the policy of the Department of Immigration, undoubtedly the judgment would be that the policy in the past has been an insane one, because we are not learning how to keep our people in the country; we do not seem to be able to keep either the immigrants or the natural increase here. Under these conditions may I point out just one fact at the moment. There is not to my knowledge, and I challenge the minister to indicate where there is, one single industry in Canada suffering from lack of labour, nor is there a locality suffering from the same thing; as a matter of fact, the contrary is the case. As the hon. member for Comox-Alberni (Mr. Neill) indicated, the cities on the Pacific coast, the cities of eastern Canada and even those of the prairie provinces are today carrying large numbers of unemployed,

and have been doing so for some time. Only yesterday a man came to my house here in Ottawa and asked for work, any kind of work I could give him; he said, "All I want is work," and he was a decent, clean looking fellow. He wanted a job doing anything, cleaning up the yard, cleaning up the basement or anything at all. He said, "I have walked from Rideau street this morning asking for a job from house to house, and I could not get it." An hon. member has said that sort of thing happens in Hamilton every day, and I have no doubt that is the case. Then we have another example taken from the Toronto Evening Telegram dated April 13, 1927:

Hungarians Seek Work
Factories are Besieged

Found conditions in west not what was expected—foreigners drift eastward in search of work.

Oshawa, April 13.—Disgruntled at finding their dreams—

I submit that should not be called a dream, Mr. Chairman; these men were pledged a proper job before they came here, and the position was deliberately misrepresented to them either by the agents of this administration or of the steamship companies, or possibly both.

—of steady employment in the western provinces shattered, hundreds of Hungarians have arrived here in the past few months searching for work in factories or as labourers.

We heard a moment ago that only agricultural help was being brought to Canada, and the absurdity of that position is demonstrated a hundred times a year.

So acute has the situation become that an official request will be made to the Department of Immigration at Ottawa to take some action to remedy the condition.

I have in my hand a telegram which I received just the other day and which I have already placed on Hansard in connection with another debate, but as it affects the problem of immigration I would call it again to the attention of the minister:

Immigrants arriving Drumheller promised work coal mines quite number here now without funds and charge on community. Please advise government unless they can provide work through Ontario market to have immigrants directed elsewhere. Our own unemployment problem with mines closed too serious to countenance further immigration here.

This is signed by the Drumheller Board of Trade, the members of which I happen to know, and I want to assure hon. members that on that board there is not a single working miner. It is composed of the industrialists of the town, the operators who own the mines, the business and professional men and others. These men are of the class the administration and opposition would call responsible citizens, and they have signed this telegram pleading with the administration not to send any more immigrants there, especially those promised work, as they cannot take care of the unemployment existing in that district at the moment. I cannot understand the policy of the administration. I do not know why it is being carried on in this way, and as a matter of fact I find it difficult to analyse it at all. They allege that they are bringing to this country only domestic help, experienced farmers and their families and men willing to go on farms as inexperienced farm help. Under the deliberate policy of misrepresentation, the administration is permitting to come into this country men who are not agriculturists at all, who do not go on the land but who drift into the cities.

Now let us turn to another phase of the question. Why should only agricultural help be brought to Canada? Why should that particular restrictive policy be adopted? I would like to ask hon. members of this House who are lawyers what they would think of an immigration policy not only which would propose to bring lawyers here and only lawyers, to enter into competition with them, but which would assist the passage of those lawyers from other lands and, having brought them to Canada, would then proceed to assist them with loans in order that they might the more readily compete with the lawyers of the country. The same policy might be applied to every retail business man, every professional man and to every person in what we call the middle class condition in Canada. Apply it in that way, and you get a truer reflection of the present discriminatory policy of the administration. The minister chuckles and laughs at the suggestion; I presume that is it, or else his deputy has told him a joke. It may be nervousness, but I doubt it; I hardly think he could be nervous because he likes this discussion. Let me say, Mr. Chairman, that a policy so grossly unfair to agriculture in this country is not countenanced by the farmers and is not supported by them, and in spite of the allegations of the Toronto Telegram, the Toronto Globe and other eastern newspapers, let me say that every organized group of farmers in Canada have protested time and again against this policy. And what is the reply? The reply is a continuation of the policy, that is all, with, shall I say, an accretion of injustice. In former days it was just a case of bringing these men in if they had money to the amount of $25, or

something like that. But now we are not satisfied with that policy. We are going to assist colony settlement. We are going to buy the land, build the house, break so much land, and supply these men with stock, such as a cow, a couple of pigs and so on, so that they can start farming. That is part of the policy that is aided and abetted by the present administration. I do not know that it is of any use for me to continue a discussion of this kind.

Mr. VALLANCE: May I ask the hon. member a question?

Mr. GARLAND (Bow River): Just a moment until I get through this sentence. I have protested in every way and appealed to the administration not to destroy the effective force overseas engaged in checking the mental and physical qualities of intending immigrants. I have protested against the continued pouring out of the money of the taxpayers of this country on various policies of immigration, against spending three millions a year for three years with the result that all we can show is a net loss of 29,422, a loss equivalent to all the immigrants we have brought in. Such a policy as that should be no longer countenanced by this country. Until either the economic condition of Canada is altered by wise and effective legislation, until some change takes place in the whole social and economic structure of Canada the administration is no longer justified in spending money in bringing to this country men who may in rare instances succeed but who in the majority of instances will only add to the load of taxation which rests on the shoulders of the farmers of this country, and which the Minister of Finance has made all the greater by his income tax reductions. Now I am willing to answer my hon. friend's question.

Mr. VALLANCE: Do you believe that the placing, we will say, of an agriculturist with a family of five on a farm warrants us in placing an industrialist in some urban centre in eatern Canada? Does not the one take care of the other?

Mr. GARLAND (Bow River): Yes.

Mr. VALLANCE: Well then you and I agree.

Mr. GARLAND (Bow River): I am not sure that we do.

Mr. VALLANCE: We do in this respect.

Mr. GARLAND (Bow River): The hon. gentleman will be able to make his speech when I get through. If he has a question to put I will answer him; but I do not want him to make a speech at this particular moment. Let me say to the minister that I have in my hand a publication entitled "Canada's Population Problem" issued by a self-appointed immigration expert of the department known as Charles W. Peterson. Mr. Peterson is the publisher of the Farm and Ranch Review and Western Dairyman. This publication is heavily subsidized by the Canadian Pacific Railway, in fact Mr. Peterson voices largely the propaganda of that company. On page 10 of the pamphlet mentioned we find the following remarks:

> The home market now absorbs 837 million dollars' worth of agricultural products as against our export market of 600 millions. The annual per capita consumption of farm products in Canada is thus $87.50. The western farmer, producing almost entirely for export, receives little benefit from our present home consumption of farm products, but with our population doubled the domestic market would look up as a very important factor in his sales.

So far very nice:

At present—

Mr. Peterson alleges very truly:

> —he is at the mercy of overseas countries, which are now striving with every nerve, and with more or less success, to promote decreased agricultural imports. At any moment he may be virtually closed out by tariff walls, as happened to his animal products in the United States market.

So far so good, but now Mr. Peterson proceeds to contradict himself in the very next paragraph. He says:

> Our farmers, particularly those of the west, are often apprehensive of the effect of largely augmented agricultural production on market prices. The increasing population of Europe and the development of trade in agricultural products with the teeming millions of oriental countries, coupled with the rising home demands of many of the present exporting countries, will amply counterbalance any enhanced Canadian production of basic foodstuffs. So we need not apparently concern ourselves overmuch about the question of not finding a ready market for any volume of Canadian staple agricultural products we are apt to raise.

In one paragraph he warns you not to fear the possibility of an over production, and in the previous paragraph he warns you very seriously that there is a grave danger that the policy of foreign countries will cut down your export market. That is the kind of contradiction you find in the arguments of people who look at this immigration problem in a superficial manner; and I may say there is no one so completely superficial in discussing the immigration problem of Canada as the same gentleman, Mr. C. W. Peterson, publisher of The Farm and Ranch Review and Western Dairyman unless it be the de-

partmental officials. That is all I wish to say at the moment on this question. I wish to protest vigorously against the continued expenditure of the public money on a forced immigration policy. I would not stop people coming here who are physically fit, men and women who are willing to take their chance with the rest; let them come by all means. But keep an effective force for the purpose of carefully checking the health and fitness of these people who propose to come. Do not put too many obstacles in the way of their coming here if they want to come, but do not continue to spend money on deliberately false propaganda that misleads and deceives the unfortunate immigrant and causes him to suffer after he comes to this country.

Mr. VALLANCE: With reference to the question I asked the hon. member for Bow River, I believe it is correct that for every agriculturist with a family that you can place on a farm in any country, you can place in the urban centres an industrialist. As far as the British Isles are concerned, I believe, as the Minister of Railways (Mr. Dunning) said the other day, talking to a gathering of ladies in the Chateau Laurier, that the development of Canada is in the north country. I believe that the greatest development for some considerable period will be that of the agricultural possibilities of the north country, and I believe that the conditions there are such that the British immigrants will not come in and take advantage of them. There is no use in sidestepping that fact. The conditions in the north are such that he will not take advantage of them. So I contend, and I have argued with the Minister of Immigration, that the individual we want in there—and with this I think most of us from western Canada will agree, is the man with the sheepskin coat. And for every one of them that you put into the north country, you can place a British immigrant in the urban centres, if he wishes to go there. So far as British immigration is concerned, I do not see any good use of bringing these people here, if we only intend to place them in the north country to engage in development work. I was much amused at the illustration given by the hon. member for Bow River about an individual emptying water into a barrel. The only trouble there was that the wrong material was being put into the barrel. It could not contain water, but it might have contained something else. I believe that he proved that the immigrant we were bringing in was the wrong type of immigrant because he would not stay. What we want is the chap who will stay.

Mr. BROWN: It is certainly not my desire to delay the passing of these estimates, but I cannot allow the remarks made by the hon. member for Bow River to go unchallenged. I am not going to deal with all the subject matter of his speech but I wish to speak particularly of the special class to whom he referred, and that is the Mennonites. Now it so happens that in my constituency I have nearly all, if not all, of the Mennonites in Manitoba—

Mr. GARLAND (Bow River): I have three separate colonies in mine.

Mr. BROWN: —and as evidence that they are intelligent people, I may mention that the oftener I run the more Mennonite votes I get. If there is any better proof of their intelligence than that, I do not know where it can be found. The hon. member's statements are entirely too sweeping. There is a class of Mennonites, who, as he says, do not seem willing to assimilate and who have held themselves aloof. Many of those people who refuse to conform to our school laws have migrated to Mexico, but the statement that the Mennonites will not and do not make good settlers is absolutely without foundation. I could take hon. members into Mennonite colonies in southern Manitoba and show them some of the most progressive farmers and the finest type of people in that part of the country. I had the privilege last fall, after the election, of being invited to a school teachers' convention that was conducted almost entirely by Mennonites. It was purely a Mennonite community, and a group of young men school teachers were there who are the hope of Canada. They had ideals of the very highest. Therefore, when these sweeping statements are made, I must protest.

Mr. GARLAND (Bow River): Is it not true that I stated that in the evolutionary process we throw off individuals of the type that the hon. member has just mentioned, but the colony settlement to which I referred still exists?

Mr. BROWN: These people still live in their colonies, and the fact that they have lived there by themselves since the early seventies has in some measure prevented them from assimilating with the rest

of the people of Canada and taking part in their citizenship. But the point which I wish to emphasize is that that condition of things is rapidly passing away. What the hon. member says is only partly true. Among these people we have some of the finest people in Manitoba to-day. I think I owe it to my constituents to make that statement.

Mr. ROSS (Kingston): In what year did these Mennonites move away?

Mr. BROWN: They moved away largely three or four years ago.

Mr. ROSS (Kingston): Is that not since the hon. member became member for that district?

Mr. BROWN: They were moving away just at that time. They were the least intelligent ones who moved away.

Mr. SPENCER: Why did they move away?

Mr. BROWN: They were what we call the "Old Colony" Mennonites who refused to conform to the school laws of Manitoba and for conscience sake—and I think they were very much mistaken—they migrated to Mexico.

Item agreed to.

Amount required for soldier land settlement advances and cost of administration of soldier settlement	$1,475,000
Amount required for general land settlement advances and cost of administration of general land settlement	1,900,000
	$3,375,000

The CHAIRMAN: Shall this item carry? Carried.

Mr. GARDINER: Who said that this item was carried? It has not even been discussed.

The CHAIRMAN: I did.

Mr. GARDINER: I wish to protest against this method of conducting business. We were discussing the immigration estimates and while that discussion was going on, no one heard you call this item. In fact you are not entitled to pass these items as long as the discussion is going on.

The CHAIRMAN: I certainly called vote No. 288, and I gave the amount.

Mr. GARDINER: I suggest that we have a reasonable pause between the carrying of one item and the calling of the next one.

The CHAIRMAN: I am sure my hon. friend will realize that it is now five o'clock and we have passed only two items to-day, so that there must have been a pause somewhere.

Mr. GARDINER: Are we going to discuss item 288?

Mr. ROBB: Yes.

Mr. KELLNER: In connection with the activities undertaken by the department in the way of providing ready-made farms, for instance drilling wells, breaking land and constructing buildings, is that provided for by calling for tenders, or how are the contracts let?

Mr. FORKE: By tender.

Mr. KELLNER: On the Saddle lake reserve how much breaking has been contracted for, and at what price per acre?

Mr. FORKE: Forty acres and 51 units. That will be forty times fifty-one. The price is roughly $5.50 per acre, the land to be disced once.

Mr. GARDINER: Has the government come to any conclusion regarding taxes on soldier settlement lands now owned by the board? This is a very important matter in connection with western Canada.

Mr. FORKE: Some little time ago a delegation from the three prairie provinces representing the municipal unions met a committee of the government and entered into negotiations. I think we came to an amicable settlement whereby from now on there will be no further dispute in regard to the taxes on soldier settlement land.

Mr. GARDINER: The Soldier Settlement board have under their control certain lands which are leased. What is the policy with regard to those lands that are leased to private persons?

Mr. FORKE: The rental has always gone first to pay the taxes.

Mr. GARDINER: The minister means that a portion of the rent received by the Soldier Settlement board is used to pay taxes on the land.

Mr. FORKE: I know since I have come into the department I have received thanks for the amount of money the municipalities have been paid in connection with taxes on leased lands.

Mr. GARDINER: The reason I ask the question is because I have received com-

municipalities from many municipalities which claim that no taxes are paid on those leased lands, to the detriment of the school districts and the municipalities themselves. Is there any reason why there should be a different policy in one district from that in another?

Mr. FORKE: From now on the matter will be looked into.

Mr. WARD: Is it the intention of the Soldier Settlement Board or the government to pay taxes on soldier settlement land that has reverted to the crown? Is it the intention to reimburse the municipalities in any way for the loss of those taxes?

Mr. FORKE: In connection with lands that have been abandoned, the department has always paid all taxes up to the time that the settler abandoned the land. The department has recognized the fact that it has to pay those taxes in any case and perhaps it will be better for the municipalities to see that they are paid every year up to date, because it is realized that so long as the man is on the land we shall have to pay the taxes anyway. We have just dealt with cases where lands have been rented. As regards lands that have reverted to the crown and are yet unsettled, the policy of the department is to sell those lands as rapidly as possible. The representatives of the municipalities were so well satisfied with the arrangement we made with regard to future taxes on those lands that they were not pressing that point very much if we undertook as a matter of policy to dispose of those lands as rapidly as we could. Unfortunately some of these lands in Manitoba are not very good. I have not discussed the matter so far, but my private opinion would be that I would be quite willing to hand over some of these lands and let the municipalities have them for the taxes.

Mr. GARDINER: Is that land of no agricultural value? I understand the department has two thousand farms of that nature. Has the department any policy in the matter?

Mr. FORKE: We discussed that matter with the delegates of the municipalities, and although we did not formulate any policy, perhaps in the near future we shall have a thorough survey made of all lands in possession of the crown, and those that we do not think are fit for agricultural purposes, I think I may safely say, will be handed over to the municipalities if they are willing to take them.

[Mr. Gardiner.]

Mr. GARDINER: From time to time certain contracts to returned soldiers are cancelled. No doubt many of these contracts have had to be cancelled because of the fact that in the first instance the cost of the land was too high. In view of the fact that the revaluation bill has passed both houses of parliament, would the minister take into consideration the possibility of delaying any cancellation of contract until such time as there is a possibility of having a revaluation of these lands merely to give these men some chance of staying on the land, rather than turning them off the land at this time?

Mr. FORKE: I will read the instructions sent to the general supervisor, as follows:

> The general situation and the board's instructions are exactly as I gave them in my wire, that foreclosure is not to be adopted where there is any possible hope of most generous revaluation rehabilitating a man, but where his position is utterly hopeless then, of course, we do not see how we should, in the interests of the man himself, forego taking action that is essential.

Mr. GARDINER: It might be all right if that were determined by the proper officer, but you have in the employment of this board men who probably do not understand the conditions as fairly as they might understand them. I suggest therefore that instead of leaving it wholly and solely to the recommendation of the supervisor or the district superintendent, for the time being and until we see see what revaluation will do for these men, cancellation of contract should be discontinued, so long as the soldier is willing to stay on the land.

Mr. PARENT: My hon. friend might have said all that when the budget was on.

Mr. GARDINER: I did not take up that subject, and if I wish to make any remarks now I will do so. If we are given a fair opportunity for discussion we will put the estimates through. I suggest that under the circumstances, taking into consideration what these men have passed through and the possibility of giving them some redress through revaluation, you adopt the policy which will give the best possible consideration to the men.

I spoke this afternoon about the situation in this regard. I have had communications from returned men who have been accepted by the board as being entitled to farms when they qualify. I do not know how many of these men still require farms, but there are some. In view of the agreement entered into between this government and the British

government, the matter is exercising the minds of the returned men, because these 3,000 farms are allocated to other men and they cannot find farms for themselves. Let me suggest that all the returned men should be satisfied, so far as their demands for farms are concerned, before consideration is given to others. Can we be sure that these returned men, who still ask for farms and are entitled to them, will be given consideration and their wants supplied first?

Mr. FORKE: I might say my hon. friend's wishes will be met as far as possible. Of course, they have delayed a long time. If they had taken action two years ago they would have been in a different position. The farms were vacant and some of the lands have been sold for taxes. Something had to be done. The three thousand-family scheme has been criticized and we thought better to place men on the farms which were not occupied. I think the returned soldiers have been leniently dealt with on the whole. On the resale of these lands we find in some cases, the department is getting better prices for the abandoned farms than the soldiers paid for them.

Mr. GARDINER: I can quite understand that where the conditions are improving. In some cases the returned man has held on because of price conditions, and I commend him for his judgment, but that does not solve the problem. I hope the minister will give full consideration to the demands of these men so that they will be satisfied.

Item agreed to.

Legislation—House of Commons

Salaries	$ 231,645 00
Expenses of committees, clerical assistance, etc	101,950 000
Contingencies	47,265 00
Publishing debates	60,000 00
Estimates of Sergeant-at-Arms	187,231 10
	$628,091 10

Mr. COOTE: I desire to say a word or two about the services around the House of Commons at the time of prorogation. I think that we might have the services of some of the messengers after the House prorogues. Sometimes after prorogation the messenger service is required and it is cut out.

Mr. SPEAKER: In compliance with the request of hon. members on both sides, I may inform the House that I have consented to the continuance of a limited messenger service for a short time following prorogation.

Mr. WARD: Will we have the services of a few stenographers for a short time?

Mr. SPEAKER: I have also considered that matter and have recommended that for two or three days after the session members shall be able to secure the services of stenographers and that they shall also have access to blue books and parliamentary documents.

Mr. WARD: I have heard that the Post Office Department has been instructed not to carry our files, books and other matter that we wish to send home by mail, but that they would have to be parcelled together and sent by express.

An hon. MEMBER: Too bad.

Mr. SPEAKER: That is a matter for the Post Office Department, and I think the minister who has charge of that department will yield to my request when I ask him to permit members to send these documents by mail.

Item agreed to.

To increase the salary of the secretary to the leader of the opposition from $3,000 to $3,960 per annum from April 1, 1927	$ 960 00
To provide for the full sessional indemnity to members of the House of Commons—days lost through absence caused by illness, official public business, or on account of death during the present session—Notwithstanding anything to the contrary in chapter 10 of the revised statutes, an act respecting the Senate and House of Commons, or any amendments thereto. Payment to be made as the Treasury Board may direct	25,000 00
To provide for the salary of the Deputy Speaker from December 14, 1926, to March 31, 1927, inclusive	1,193 54
To hereby appoint D. Barbes, J. W. Gibson, as principal clerks at $2,280 each; H. Gilchen, J. P. Doyle, E. Guerin, M. E. McEwan, and J. U. Emard, as clerks, grade 4, at $1,800 each from April 1, 1927, notwithstanding anything contained in the Civil Service Act or amendments thereto	13,560 00
To authorize indemnity to the Right Honourable Arthur Meighen, leader of the opposition for the period September 26 to October 11, 1926, inclusive	434 59
To authorize remuneration of A. Chasse, private secretary to the leader of the opposition for the period September 26 to October 11, 1926, inclusive, at the rate of $5 per diem	80 00
	$41,228 13

Mr. WOODSWORTH: I should like to have details of the appointment of D. Barbes, J. W. Gibson and the others mentioned in this item.

Mr. SPEAKER: When the Civil Service Commission reorganized all the departments and reclassified the employees it dealt somewhat summarily with the staff of the House of Commons and the Senate. Let me say that so far the Senate has refused to fully recognize the authority of the Civil Service Commission. A certain number of the employees of this House are classified by the Civil Service Commission, and I may say that at the present time there is a strong agitation amongst the officials for a reorganization and reclassification. With a view to carrying this into effect I have had two meetings of the Board of Internal Economy, and as a result the Civil Service Commission will be asked to recast the organization and classification of our branch of the legislature.

I am very glad the hon. gentleman has asked this question. All the employees mentioned in the vote have been in the service of the House of Commons for many years. The classification in their individual cases not having been made, I took from the Board of Internal Economy authority to bring the matter before the Treasury Board. I may say that between the Department of Justice and the Civil Service Commission there seems to be a difference of opinion as regards those of our employees who for a number of years have, nominally, been temporary, but actually have been permanent, for they are in the permanent service of this House. I may say, without giving names, that the members of the commission have agreed that the only way to settle this question was to bring forward those cases for the ratification of parliament.

Now, I should like the committee to remember that, without claiming we are above all laws, there are ancient and well-established privileges appertaining to parliament. Before his death the late Sir John Bourinot—who, as hon. members know, is frequently quoted in this parliament and in the other parliaments of the empire as an authority on parliamentary procedure—in a memorandum which I have before me claimed that the parliament of Canada in regard to its internal economy, the appointment of its employees and servants, is above all commissions. I do not say that I am quite ready, especially now that we have a Civil Service Commission, to pass over that commission; but if I am not trespassing on the time of the committee I should like to read a few extracts from this memorandum. It has been printed, and I intend to have it circulated to apprise members of parliament of the ancient and well-established privileges which appertain to this great inquest of the nation. Says Sir John Bourinot:

The House, it has been well said, "has always asserted the right to provide for the constitution of its own body, the right to regulate its own proceedings and the right to enforce its privileges, etc."

Further, he says:

The control and management of the officers of the Houses are as completely within the privileges of the Houses as necessary to the conservation of dignity and the efficient conduct of public business, by a legislative body, as "any regulation of its own proceedings within its own walls."

Again, he says:

When it was deemed advisable to apply the Superannuation Act to the officers and servants, no attempt was made to apply it to the Senate and House of Commons by an order in council, or by any arbitrary exercise of the royal prerogative, but a clause was added to include in express and definite terms "the permanent officers and servants of the Senate and House of Commons and the permanent officers of the Library of Parliament," and these words were added in express recognition of the powers, privileges and immunities of the Commons:

I would draw the attention of hon. gentlemen to these words:

"Saving all rights and privileges of either House in respect to the appointment or removal of the officers and servants."

Sir John Bourinot continues:

No general statute or order in council can override the privileges, immunities and powers of the Commons in this particular. As the prerogatives of the crown can only be given away or delegated to others by the consent of the crown, stated in express terms, so the rights, privileges and immunities of the two branches of the legislature cannot be taken away by implication or by the vague terms of any statute, but only by the express words of the law as in the case of the enactments previously cited, or by the express resolution of the Houses, as in the case of the Audit Act, the general terms of which might be considered by some applicable to the two houses of parliament, but were only made so in fact by resolutions passed separately in the Senate and Commons, which enabled the officers of those houses to act thereupon.

Further, he says:

The houses being the judges of their own privileges, and having the sole regulation of their own procedure and proceedings, it is for them alone to control those instruments which are necessary for the effectiveness and accuracy of those proceedings. If the clerks and officers who are subject to these regulations, and necessary for the efficient conduct of the public business of the House, are subject at any moment to the inquiry and examination by persons commissioned only by the executive

[Mr. Speaker.]

authority, and not duly authorized by the Houses themselves for that express object, the officers and servants of the houses cannot act with freedom, fidelity and obedience to their legal masters.

Let me say once more that I do not wish in any way to ignore the Civil Service Commission. In fact, if I wanted to be reminiscent I might say that in the old days I was one of its staunchest supporters, and I am still. But there are privileges and powers appertaining to parliament which must not be ignored.

Now, in the present instance there is no quarrel between the Civil Service Commission and the House of Commons. The names set out in this item are the names of old and faithful officers of the House of Commons who have served for many years and have given thorough satisfaction.

Mr. BENNETT: May I ask the hon. gentleman a question?

Mr. SPEAKER: Yes.

Mr. BENNETT: Is it not correct that the first name on that list is the wife of a gentleman who occupies a position in the Public Works department? The effect of this will be to make her the first permanent married woman to be engaged in the service since the Civil Service Act was passed, and this is being done in violation of section 36 of the statute.

Mr. SPEAKER: I am glad the hon. member has brought the matter to the notice of the House. There is absolutely nothing to hide so far as this appointment is concerned. It is true that Mrs. Barbes is married, but she has been seventeen years in the service of the House. Before her marriage she was employed in the House of Commons and in July last she was approached by Senator L'Esperance who promised her permanency if she would become the secretary of a gentleman who is highly trusted by my hon. friend from West Calgary (Mr. Bennett). I will send him a letter I have received in this connection. There is a precedent also. The late assistant secretary to the Right Hon. Mr. Meighen was Mrs. Helmer. She was paid by the House of Commons although her husband also had a government position. Afterwards she became secretary to Sir Henry Drayton.

Mr. BENNETT: But this is the first appointment of the kind which is being made permanent, and it is done in violation of section 36 of the act.

Mr. SPEAKER: I appeal to the sense of justice of the committee whether I should deprive a faithful servant, who has been seventeen years in the service of the House and who has given excellent satisfaction in every respect, of the pension to which she would be entitled had she been unmarried. I do submit that such an action would be hardly fair to Mrs. Barbes, and may I point out moreover that if this item passes she will receive less as permanent than she did as a temporary employee. I am therefore simply carrying out a promise made to this lady by the Right Hon. Mr. Meighen in the month of July last after dissolution, through Senator L'Esperance.

Mr. BENNETT: I would vote against it equally if he did it.

Mr. SPEAKER: If Mrs. Barbes had left the service of the Speaker for the Prime Minister's office she would have been made permanent. In a sense I am merely implementing that promise. Even though it may appear to be contrary to the letter of the law, I appeal to my hon. friend, who is a parliamentarian and a constitutional authority, whether it is not a fact that we have powers and privileges over and above the provisions of the Civil Service Act. I would not for a moment ignore the Civil Service Commission, but I submit that there are special cases such as this which must be faced and disposed of and I have considered the present case on its merits and have dealt with it honourably.

Mr. BENNETT: The Speaker of this House has properly indicated that the House of Commons has great privileges, and it must be remembered that these privilegs belong to the House and not to His Honour. That is point No. 1. In the second place, let us remember that the government in this instance is not charged with responsibility. Under our parliamentary institutions the government in this case is merely the medium for intimating to the House what ought to be done. These estimates could not come before the House as such unless some member of the government submitted them, and the Speaker is the medium between the House and the government, just as a minister who submits his estimates is the instrument of the House to enable those estimates to be brought in for consideration. We as law-makers should not be law-breakers. As those who framed the civil service law of the country we should not be the first to break it. Our right to ignore the act is undoubted, but the exercise of that power is injurious to the people of

this country in more ways than one. In the first place the present proposal creates the possibility of two pensions in one family. It gives a salary of between $5,000 and $6,000 to a husband and wife, and this the parliament of Canada, both the House of Commons and the Senate, has declared by section 36 of the Civil Service Act, to be illegal. I submit therefore that we should not at this time, in view of the present commitments of the public treasury, create a precedent such as this with full knowledge of the step we are taking. I suggest to His Honour the Speaker that he would be well advised to withdraw this item from the estimates. This would be the wisest course in the interests of Canada as a whole, as well as in the interests of the administration of law throughout the country.

There is another aspect of the question which I may briefly comment upon. These names seem to have been selected with singular lack of discrimination. I do not believe the House of Commons would make such a selection. We go down into the office to receive our cheques in payment of our sessional indemnity and to make our declaration. What do we find? The office is overstaffed and one gentleman who has very little to do sits in a chair while another man who has been there many years is not considered at all. I do not believe that reflects the mind of the House. When the Speaker acts as the medium of communication between the House and its servants, he assumes a position of judicial responsibility and in the selection of the appointees he should have regard to the general feeling of the House taken as a whole. I do not believe the Prime Minister would consider that justice was being done by the selection of one or two of these officials to the exclusion of others who, to the certain knowledge of the oldest members of the House, have greater claims. This is a disagreeable thing to stand up and speak about; yet in the very nature of things we must see to it that the House of Commons shall not become an instrument of injustice to its servants. The Speaker may err in his selections, because we have striking evidence over his own signature of his strong partisanship in the removal of thirty-four postmasters in Gaspe. Men in high, responsible positions may sometimes become partisans and it is because of that fact that I rise now, as my last act at this session, to protest against this injustice which is being done deserving public servants through discrimination. I ask the House, regardless of politics, to assert our ancient authority—which is ours and not the Speaker's—and to determine that we who have made the laws will not break them. That is all I intend to say regarding this matter.

[Mr. Bennett.]

Mr. SPEAKER: Regarding the case of Mrs. Barbes, I desire to read to the committee the following letter:

OTTAWA, April 14, 1927.

Honourable RODOLPHE LEMIEUX,
Speaker, House of Commons,
Ottawa.

DEAR MR. SPEAKER:

I do solemnly declare that the Sunday following dissolution of parliament, last July, I was offered the position of French secretary to the Rt. Honourable Arthur Meighen, then Prime Minister of Canada, with the promise that I would be made permanent.

Yours truly,

(Signed) D. BARBES,
Secretary to the Speaker.

I repeat, I am only carrying out the promise of the Right Hon. Mr. Meighen to this lady through Senator L'Esperance, who offered her the position. There is no party bias in any of these appointments; I might say that one of the names mentioned is that of a very prominent Conservative family, but I did not hesitate, because I thought he should get that promotion. I have consulted the Board of Internal Economy and this is not done, as the hon. gentleman has said, upon the whim of the Speaker; so why exaggerate in that fashion? The Speaker comes before his masters, first the Board of Internal Economy, then the Treasury Board and finally the House of Commons, and if the House says no the Speaker will have to obey. I do not assert any undue authority; the Treasury Board has passed on this item, but it is the privilege of this House to say no, and in that case I have nothing further to say.

Mr. MACKENZIE KING: I am sure that in this matter His Honour the Speaker has acted, as he has just said, not only with the best of intentions but in what he regarded as a chivalrous manner. I confess, however, that I agree with my hon. friend opposite (Mr. Bennett) when he says that we are in no way bound to recognize any promises or pledges made by Mr. Meighen when he came into office, and which he himself found it impossible to carry out. I think in this matter the House should assert its rights and I hope His Honour the Speaker will be able to see his way to withdraw these names, at least for the present.

Mr. SPEAKER: If the Minister of Finance will move that this item be dropped I will make no objection.

Mr. WOODSWORTH: Do I understand that all these names are included?

Mr. SPEAKER: Yes, the whole item.

Mr. WOODSWORTH: Then I have a word to say, Mr. Chairman, on the principle involved rather than with regard to any one particular case, as I am not familiar with any of them. I would like to say in passing that I do not think the hon. member for West Calgary (Mr. Bennett) was quite fair in his reference to a married woman receiving a salary and being entitled to a pension, because if I understand it correctly there is a large number of married women in the service at present, and unless there is a general rule laid down to exclude all married women it does not seem to me that that particular criticism applies in this case.

Mr. GUTHRIE: This is where the husband is also in the service.

Mr. WOODSWORTH: I am informed that there is a large number whose husbands are also in the service.

Mr. STEWART (Edmonton): Can my hon. friend give specific cases? There is no chance in the world of appointing a married woman under existing conditions.

Mr. WOODSWORTH: I have been credibly informed that is the case, if so the Speaker was well within his rights in bringing forward this name. That is not what I object to; it is that in this way we are undermining the principles underlying the Civil Service Commission. The Speaker said that parliament was above all commissions and I think we may take that for granted, but surely that does not settle the matter. I remember that a year ago we had a case of alleged corrupt election practices. The ground then taken was that while undoubtedly parliament historically had the right to deal with such a matter, in the course of years there had developed courts specially clothed with jurisdiction to deal with them, so parliament having delegated its responsibilities to the courts, we should leave the courts to take care of such matters. I suggest that there is a very close analogy between that situation and the one facing us to-day. We have gradually developed the Civil Service Commission, and parliament has divested itself of a certain amount of authority for that particular purpose. Now I submit that if we are going to work on that principle we should not permit constant exceptions of this kind to be made. It may be all very well to say that the Speaker has acted with the best intentions, of course he has. It is all very well to say that he acted in a chivalrous manner; of course he has, but we cannot deal with matters of this kind merely according to good intentions nor on the basis of chivalry. There must be something more definite. The Speaker stated that there were certain promises made by some individual; surely we cannot proceed on that basis. I urge that we go even further than has been suggested by the Prime Minister and withdraw all the names included in the item in order to permit these appointments to be made as they should be made by the Civil Service Commission.

Mr. ROBB: I beg to move, seconded by Mr. Dunning, that in item 452 all the words after "hereby appointed" down to and including "or amendments thereto" be struck out, and that the item be reduced by $13,560.

Item agreed to.

Mr. EVANS: Before this vote is passed I would like to direct a question or two to the Speaker of this House. I would like to know if the position of leader of the opposition is a constitutional appointment, and by what right the leader of the Conservative party or of the Liberal party becomes the leader of the opposition, entitled to receive an added salary. Under what parliamentary rule does he get that right? Seeing that there will now be three parties perhaps more evenly balanced in the future than they are to-day, I think some definite rule should be made with regard to this matter. Less than two years ago the present official opposition was a smaller party than the third group in this House. I would like to know by what rule and right this is done?

Mr. YOUNG (Saskatoon): I would like the hon. gentleman to tell me if the group over there considers itself in opposition to the government?

Mr. SPEAKER: In answer to the hon. gentleman, if he will look at the House of Commons Act, Chapter 69, 10-11 George V, he will see the following under section 39:

> To the member occupying the recognized position of leader of the opposition in the House of Commons, there shall be payable in addition to his sessional allowance an annual allowance of ten thousand dollars.

Mr. GARDINER: I would like to ask His Honour the Speaker—

Mr. YOUNG (Saskatoon): Before the hon. gentleman speaks, may I ask the hon. member for Rosetown (Mr. Evans) for an answer to my question?

Mr. GARDINER: In view of the statute, which His Honour the Speaker has just read, may I ask why it is necessary for this item of $424.59 to appear in the supplementary estimates as salary to Mr. Meighen as leader of the official opposition?

Mr. SPEAKER: This item, as I understand it, was submitted to the Minister of Finance and not to myself. I know that after the election there was some little talk about the balance of salary due to Mr. Meighen. No application was made by Mr. Meighen but it was reported that I should give orders that he be paid as leader of the opposition from the date of his resignation as Prime Minister. Therefore he was paid from the day of his resignation as Prime Minister up to the day of the swearing in of the new minister. The new leader of the opposition was selected in the month of November, I think.

Mr. CAHAN: On October 11th.

Mr. SPEAKER: Very well, October 11th. I was ready to pay the right hon. gentleman, but Colonel Cameron, who is accountant of the House of Commons, pointed out to me first of all that no application had been received from Mr. Meighen. In the next place he referred me to the statute which I have just quoted. I was familiar with it, of course, because I was in the House when the act was passed. Under that statute the allowance is only paid to the member occupying the recognized position of leader of the opposition in the House of Commons. The main estimates provide for what I could not legally pay. What is provided for here is the balance which is claimed from the day Mr. Meighen resigned as Prime Minister until the day when the hon. gentleman who now occupies the position of leader of the opposition was elected by his party. It is a very small amount. The request was made, I understand, to the Minister of Finance, and this amount was placed, and properly placed, where it is in the estimates. That is all I know about the matter.

Mr. CHAPLIN: Did I understand you to say, Mr. Speaker, that the right hon. gentleman had made application for this money?

Mr. SPEAKER: He never made any application to me.

[Mr. Gardiner.]

Mr. ROBB: I think it is fair to the Right Hon. Mr. Meighen to say that when the Prime Minister learned in October that he had not been paid for a period while he was leader of the opposition, provision was made to pay him, and a cheque was sent to Mr. Meighen. Then on the 2nd April last, Mr. Meighen wrote directing attention to the fact that he had not been paid for that period from the date of the election until October 11th. We calculated the period from September 26th to October 11th, when my hon. friend (Mr. Guthrie) was made leader, and an amount of $434.59 was put in the estimates to clean the matter up.

Mr. BROWN: Is it in accordance with the statute that a man who was not a member of the House of Commons should be paid as leader of the opposition?

Mr. ROBB: I have not gone into that phase of the matter.

Mr. GARDINER: Is it to be understood that this is in the nature of a compassionate allowance? Surely that is not the position we are going to place the late Prime Minister of this country in.

Mr. ROBB: I should like to make it clear that the government is not putting Mr. Meighen in that position. It was Mr. Meighen who directed our attention to the fact that he was entitled to that amount of money, and we are submitting the item to the House.

Mr. MACKENZIE KING: Perhaps I should say that this is another case, in which I think the Commons itself will have to assert its own right and authority. After the general elections when Mr. Meighen retired from office though still continuing in the position of leader of the opposition I was informed by an hon. member of this House that Mr. Meighen had been refused the use of a frank, that he had been told that his secretaries could not receive any payment, and that his own salary as leader of the opposition had been cut off. It was represented to me that in Mr. Meighen's mind I was responsible for that very summary procedure. I confess I was very surprised when I discovered that Mr. Meighen had been treated in this manner and I communicated with His Honour the Speaker requesting that Mr. Meighen should be given the rights and privileges to which I thought he was entitled. I received word from His Honour the Speaker that Mr. Meighen could not legally be paid any amount on account of the statute governing the situation. I recognized that the

situation was a difficult and complicated one, and I personally spoke to Mr. Meighen about it. Mr. Meighen expressed some surprise at what had occurred and seemed to feel that the government that had just taken office was not acting towards him in a manner that in the circumstances was justified. I told him that what had occurred was contrary to anything in my own mind, and that if his own frank was not recognized he could use my frank; that if payment could not be made for his secretaries I was prepared to provide a secretary for him from my own office or arrange to have his own secretary paid; that if he did not receive his salary as leader of the opposition, I would ask parliament to vote the amount if the statute or some existing regulation did not permit the Speaker to pay it. My impression at the time was that the salary was voted to the leader of the opposition, whether still a member of parliament or not and Mr. Meighen was still leader of the opposition. He was not a member of parliament and I presume that not being a member of parliament technically and in fact legally, as we have just heard, he would not have been entitled to his salary as leader of the opposition for this period. But he filled the position and did the work of leader of the opposition until he resigned the leadership of his party and my hon. friend opposite was elected to the position of leader of the opposition. Under the circumstances I think it is only right that this House should allow Mr. Meighen that proportion of the salary of leader of the opposition that would have gone to him if he had been a member of the House, seeing that he was performing at that time the duties of leader of the opposition.

Mr. GARDINER: I appreciate very much the explanation the Prime Minister has given. but I would call his attention to the unfortunate fact that this is the second time we have had to have in the estimates such a sum for the leader of the official opposition, and unfortunately the present vote applies to Mr. Meighen. I appreciate the circumstances and I have no objection to the amount named in the estimate, but I do think it is placing the former leader of the opposition in a very humiliating position to have these amounts placed in the estimates and have such explanations given on these two occasions. I would therefore suggest to the Prime Minister that during the recess he take into consideration the desirability of revising that part of the statute so as to prevent repetition of such a thing as we have witnessed on the two occasions alluded to. One more question with regard to this item. I understand that in the House of Commons Act provision is made for the salary of the Deputy Speaker. Now I notice in the supplementary an item of $1,193 to provide for the salary of the Deputy Speaker from December 14, 1926, to March 31, 1927, inclusive. Would the Speaker be good enough to explain why this amount appears in these estimates?

Mr. SPEAKER: It is the balance due to the hon. member for Antigonish-Guysborough who occupied the position of Deputy Speaker in the last parliament. As Deputy Speaker he was entitled to $4,000 a year, and this is to provide for the payment of the balance of his salary.

Mr. GARDINER: And is he entitled to his salary when he is not even a member of the House?

Mr. SPEAKER: Yes. I consulted the Department of Justice on that point and received an opinion from them. I brought the matter before the Board of Internal Economy, and it was decided that his salary should be paid for the balance of the year based on that opinion of the Department of Justice.

Mr. WOODSWORTH: I should like to bring up one point in connection with this question of an official opposition. The Prime Minister referred to the frank being used. At the last election, campaign literature was coming into my constituency under frank in support of candidates of the older parties. In my own constituency I had no opposition from the Liberal party, but literature was coming in under the frank of the right hon. gentleman who is now Prime Minister and who, I presume, was then leader of the official opposition. When there are several groups in this House, it is manifestly unfair that during election time the local candidates of the older parties should be supported by literature sent in under the frank of the government or the official opposition. This is not in harmony with the principle of fair play. I should like to call the attention of the Prime Minister to the need that some arrangement should be made with regard to the franking privilege whereby, if it is granted to one party in the House, it should be granted to all sections of the House.

Mr. SPEAKER: After consultation with the Postmaster General, I am pleased to inform hon. members that they may use the franking privilege eight days after prorogation.

Mr. ROBB: As it is now approaching six o'clock, if the House has no desire to discuss in detail any of the other items, may I suggest that the Chairman call the items and we can pass them?

Item agreed to.

To hereby provide for payment to Mrs. Beatrice Williams, widow of late penitentiary guard John Williams, Mrs. Violet L. Jenkin, widow of late penitentiary guard M. E. Jenkin and Mrs. Jean Laird Farrell, widow of late penitentiary guard R. E. Farrell, of an allowance of $600 a year each and so in proportion for any part of a year, to commence from the 1st April 1927 and continue thenceforth during their natural lives, respectively, such allowance to be paid monthly out of any unappropriated moneys forming part of the consolidated revenue fund of Canada, $1,800.

Mr. WOODSWORTH: I object to items being put through without our knowing what they are. What is this item?

The CHAIRMAN: $1,800 for a pension.

Mr. WOODSWORTH: No objection.

Item agreed to.

To hereby provide, notwithstanding anything contained in the Consolidated Revenue and Audit Act or any other act or law, for payment out of the consolidated revenue fund to Robinson Russell Farrow, of an annuity at the rate of $5,646.40, to commence from August 7, 1926, and to continue thereafter at the above rate during his lifetime, $9,319.57.

Mr. KENNEDY: Will the minister who is responsible for this item kindly tell us just why it is presented to the committee? We know that last year Mr. Farrow was one of the officials who lost their positions because of irregularities in the customs department. Under the circumstances I want to know the justification for putting him back on a pension.

Mr. ROBB: We will let the item stand until we send for the Minister of Customs.

Mr. YOUNG (Saskatoon): I would ask the hon. member whether or not his committee recommended last year that this same gentleman be given a pension?

Mr. KENNEDY: Certainly not.

Mr. DUNNING: The hon. member has a very short memory.

Mr. PRICE: Under the heading of "Pensions" I desire to call the attention of the committee to a death which occurred in Kent county, New Brunswick, on October 20, 1926. On that date Mr. Agapit LeBlanc, a fishery guardian, was murdered off the coast of Kent

[Mr. Speaker.]

county in the discharge of his duties. I would like to know from the minister what has been done with regard to provision for his widow. A number of names have been mentioned in connection with pensions, and as this is a really deserving case and one which has had the attention of the department, I should like an assurance that this widow will be provided for.

Mr. ROBB: I can assure the hon. member that I shall have the case carefully looked into, and if the act provides, his request will certainly be carried out.

Item stands.

Mr. MACKENZIE KING: It is nearly six o'clock, but I gather that it is the unanimous wish of the House that we continue and that the Speaker should not look at the clock until we have made further progress.

Some hon. MEMBERS: Carried.

To provide for salaries and expenses of the Advisers engaged in tariff inquiry. Payments may be made notwithstanding anything in the Civil Service Act or regulations thereunder, $60,000.

Mr. WOODSWORTH: In connection with the tariff inquiry I should like to point out, as I did earlier in the session, that the work of the tariff board might be made more effective if more publicity were given to the evidence brought before the board and to its findings. The fact is that those who apply for changes in the tariff present a memorandum and that memorandum is given to the members, or an opportunity is given to the members to see it, but as a rule that is or has been up to the present time the memorandum of those who are applying for increases in the tariff. Hence we have an opportunity of reading all the arguments in favour of an increase in tariff, but we are not given an opportunity of reading arguments presented in opposition to such an increase. I happened to attend one or two sessions of the board and I found that some valuable evidence was coming in. An abstract of that was being taken, but it was not printed and it is not available to the public. Further, as I understand the matter, since the board is merely a fact-finding body and does not make definite recommendations, there is no reason why the report as presented to the Minister of Finance ought not to be made available to the public. Therefore in view of the importance of the whole field of investgiation we might very well request that there be pub-

lished the evidence together with the findings of the commission, and that such report should be made available to members of this House and to the general public. I would ask if that is not possible.

Mr. ROBB: That has been brought to our attention from time to time. Frequently we hear in this House, but still more frequently in the country, that if Hansard were abolished altogether the business of the House would be conducted more expeditiously. What my hon. friend is asking for is really another Hansard, and its establishment involves more than the expense of the reporters. It involves the translation and the printing and the compilation of a lot of books that will be filed away in the garret or the cellar of the Finance Department, as for instance the report of the tariff inquiry conducted by one of my predecessors, Sir Henry Drayton, never to be read by anybody. Only recently we have had a request for certain evidence given in connection with an inquiry in regard to woollen goods, which is not yet completed. I thought we might meet the wishes of those who asked for this evidence by having typewritten copies made. I find that these will cost $25 each. I have now an inquiry as to how much it will cost to print the evidence. I see no objection, in fact I see every reason why the public should have information if it is asked for from time to time; but I should not like to build up a machine that will add very much to the cost of the tariff board without serving any good purpose. I can assure my hon. friend that if he desires to get any special information I have no objection to its being furnished.

Mr. WHITE (London): Why is this item increased 50 per cent over last year?

Mr. ROBB: The increase is for the additional employees required to look after the business. Last year the tariff board only got started; but now it is in operation, it has daily meetings, and it requires a staff to assemble and take care of information with respect to the cases under consideration. If we carry out the wishes of my hon. friend from Winnipeg North Centre (Mr. Woodsworth), the vote next year will be increased considerably more than 50 per cent.

Mr. WOODSWORTH: It might end in a saving to the general public.

Item agreed to.

Grant to the Canadian National Institute for the Blind, $10,000.

Mr. COOTE: Two years ago the government practically promised to increase this grant, but I see it is still left at the same amount.

Mr. ROBB: If my hon. friend will look at the next page he will find there is a small increase.

Mr. COOTE: I am very glad to hear it.

Item agreed to.

Miscellaneous—amount required to provide for grants to be made to the provinces of:
Nova Scotia, $875,000
New Brunswick, $600,000
Prince Edward Island, $125,000
pending consideration of provincial subsidies.

Mr. GARDINER: Is this intended as a yearly subsidy?

Mr. MACKENZIE KING: No. I direct my hon. friend's attention to the wording of the item. It is the intention of the government to have a conference this fall between the Dominion and the provinces to consider the question of provincial subsidies. This is merely an interim grant for this year.

Mr. MacLEAN (Prince): As a member from Prince Edward Island, Mr. Chairman, I would be very ungrateful indeed if I did not show my appreciation of this vote. I do not wish to take much of the time of the House at this late stage. I merely want to express my gratitude not only to the Prime Minister and to every member of the cabinet but also to our friends on the other side.

Item agreed to.

Soldiers' Civil Re-estalishment—operating expense and working capital, $250,000.

Mr. WOODSWORTH: What does that mean?

Hon. J. H. KING (Minister of Soldiers' Civil Re-establishment): This covers administration services, general and medical, cash advances, travelling expenses, Red Cross shops, telegrams, postage, stationery and so on.

Item agreed to.

Sheltered employment, burial of destitute, transportation of the blind, $175,000.

Mr. ADSHEAD: Mr. Chairman, I am not going to criticize this vote censoriously. When I was last in Calgary, while sitting in the Canadian Legion office with the secretary he received a message that a returned soldier had died. Owing to unfortunate circumstances he

had not been able to save enough to provide for his funeral expenses. A gentleman not connected with the Canadian Legion told me that he has a fund called the Last Post fund, but had not enough money to bury the returned soldier and had to send somebody out on the streets to beg for it. It is a disgrace to Canada that we cannot bury our returned soldiers in cases where at the time of their death they had not any money which could be used to cover funeral expenses. I suggest to the Minister of Soldiers' Civil Re-establishment that he increase this vote, so that when a returned soldier in indigent circumstances dies we will have enough money to bury him. We are voting $250,000 for Ottawa and still we have not enough money to bury our returned soldiers. All the soldiers ask is that the government furnish a little stone slab so that the soldier can be buried decently with the rest of the veterans, and I propose that the minister increase this vote by $50,000 in order to provide for cases such as the one I have referred to.

Some hon. MEMBERS: Carried.

Mr. GARLAND (Bow River): We are either going to have order or the Speaker will call it six o'clock—one or the other. In regard to this particular matter the government cannot plead that it has not been advised of the situation. A year ago I personally spoke to the Prime Minister about it and wrote him a letter pleading with him to increase the vote in this regard. The Prime Minister expressed sympathy, but had some difficulty in meeting my request. The estimate this year is the same as last year, and it is not enough to meet the requirements of the province from which I come. I do not know what the position is in other provinces, but I have had letters from the honourary president of the Last Post fund of my province protesting pitifully in regard to the situation there. Man after man is buried in the potter's field on account of the lack of a decent sense of responsibility on the part of the government in regard to this particular matter. Before the item passes I ask that the Prime Minister give us his views on the situation.

Mr. MACKENZIE KING: I have not the letter my hon. friend refers to, but I am entirely in sympathy with any provision to carry out in an adequate way what is proposed in this vote, and if the amount is not sufficient for the purpose I would ask my colleague to place an amount in a subsequent estimate.

Some hon. MEMBERS: Carried.

[Mr. Adshead.]

Mr. KING (Kootenay): The Last Post fund is subscribed to by those interested in the burial of soldiers who died in such circumstances that no provision had been made for their burial by themselves or by their friends. The government has supported that fund by giving a grant. There is a general secretary in Montreal who administers the fund. An amount of $10,000 has been voted each year, and the burials have been made under that organization. It is true I had reports made this year asking for a further increase of ten, twelve or fifteen thousand dollars. The question I had to consider was whether we wished to continue an organization outside the department and grant to them a certain sum each year. If we are to increase that sum, then the government probably had better assume the whole cost and expenditure. That is a matter I have to consider, and of course that would involve a large expenditure. Under the rules the government had to bury all soldiers on their staff or under treatment, and pensioners who were under treatment. We have not gone beyond that, except in the grant to the Last Post fund which provides for a class who are indigent and have not the means to provide for burial.

Mr. ADSHEAD: Where there are soldiers of that description, will the minister guarantee that they should be buried without charge?

Mr. KING (Kootenay): Yes, we do guarantee.

Mr. GARLAND (Bow River): No.

Mr. KING (Kootenay): What is the question?

Mr. ADSHEAD: In the case of the returned soldier who dies and there is not enough money in the Last Post fund to bury him, will the government undertake to supply the funds to bury him?

Mr. KING (Kootenay): It would be impossible. We have not the money in the vote.

Mr. MACKENZIE KING: I may say on behalf of the government that if any cases such as my hon. friend refers to are brought to the attention of the government we will certainly see to it that an appropriate burial is arranged.

Mr. GARDINER: We appreciate what the Prime Minister has said, but that is not enough. We want in the estimates a certain sum of money which may be utilized for that

purpose when required. I suggest that the minister increase the vote or otherwise make provision for such contingency before the House rises.

Mr. MACKENZIE KING: If this amount is not sufficient, I will undertake on behalf of the government to say that we will ask parliament for a supplementary vote when we next assemble.

Item agreed to.

Railways and Canals—chargeable to capital—Canadian Pacific Railway—original construction, $71.

Mr. GARLAND (Bow River): What is this original construction grant to the Canadian Pacific railway, $71?

Mr. DUNNING: I think my hon. friend has sat in the House a number of years when similar items have been passed. This is to provide for the payment to John Murray for Lot 6, Block 6, D.L. 201, Port Moody, B.C., of an amount of $35.75 and interest at 5 per cent since 1908. Property was expropriated in 1885 in connection with the construction of the Canadian Pacific railway. The owner was unable to prove title at that time, and the lot has never been paid for by the government. The title of John Murray to property was established in 1908, but this was not brought to the attention of the department until 1919. Subsequent investigations substantiate Mr. John Murray's right to claim compensation, and it is now considered necessary that the money be voted by specific appropriation. Mr. Murray has agreed to accept $35.75 and interest since 1908 in settlement for the property.

Item agreed to.

Canals—Welland ship canal—to provide for payment to P. Lyall and Sons Contruction Co. of compensation on account of washing rock excavated during 1926, from section No. 4—not anticipated at time tenders were called for, $38,823.

Mr. PETTIT: Will the minister explain this item?

Mr. DUNNING: A large portion of the rock to be moved was dirty, intermixed with clay. Inasmuch as the contract called for the contractor to take out the rock of another section of the canal to be used in connection with cement work, it was necessary to provide for the washing of the dirty rock. My hon. friend is familiar with the situation in that regard. The amount here has reference to the rock taken out and washed during 1926. There will be a further quantity of approximately 100,000 cubic yards in 1927.

Mr. PETTIT: Where is the work being done?

Mr. DUNNING: The rock which is washed is excavated from section 4 before being crushed for concrete for sections 1, 2, 3 and 4.

Item agreed to.

Harbours and rivers, Quebec, $1,135,643.05.

Mr. GARLAND (Bow River): I do not suppose there is the slightest use in a lone voice being raised in protest against the present method of passing estimates. I have no knowledge whatever of the merits of these items, and I do not know what the object is in spending these enormous sums of money. However, I do not wish to delay or obstruct in any way the obvious and deliberate intention of both parties to get done.

Mr. DUNNING: Your own included.

Mr. GARLAND (Bow River): Again I protest most vigorously against the passing of these estimates without proper consideration.

Mr. WOODSWORTH: We are sent here presumably to scrutinize the estimates but we have no opportunity of doing so. Some of us are anxious to get home but we owe a duty to the people and if we allow the estimates to go through now in this manner it ought to be on the distinct understanding that early next session the estimates will be submitted to the proper committee for close scrutiny in detail. The deputy ministers could then be examined. The present method of rushing the estimates through is a farce and the public is beginning to realize it. We can no longer be mere rubber stamps to O.K. these estimates. I suggest that the government should give us an undertaking that next session the estimates will be submitted early to an appropriate committee.

Mr. CANNON: Any member who wishes to do so is always at liberty to ask the public accounts committee to investigate any expenditure.

Mr. GARLAND (Bow River): The Solicitor General is pleasingly ironical. He knows that such a process of examination is like closing the door of the barn after the horse is stolen. I have never heard such a childish proposal coming from a minister.

Mr. DUNNING: The hon. member's own party agreed to it. Why this hypocrisy?

Mr. WOODSWORTH: I was one of those who objected to rushing the estimates through.

I have just overheard the minister's remark accusing us of hypocrisy. I was never consulted in the matter and I would ask the Minister of Railways to take back that insinuation.

Mr. GARLAND (Bow River): I take the same position.

Mr. WOODSWORTH: It is beneath the dignity of a minister to make that statement and equally beneath the dignity of this House to let it go without protest.

Mr. DUNNING: I said that the other parties had agreed to it and I asked, why this hypocrisy. If my remarks did not apply to the hon. gentleman I do not know why he needs to take offence. I did not mention him.

Mr. GARLAND (Bow River): Only two members have protested, the hon. member (Mr. Woodsworth) and myself, and neither of us was consulted. The remarks of the minister were obviously directed to the two of us and in so far as they were I ask that they be withdrawn. It is an impertinence unequalled in this House to declare that any member is guilty of hypocrisy.

Mr. POULIOT: I was not consulted either.

Mr. GARLAND (Bow River): Just wait a moment; I have the floor. I ask the Minister of Railways to withdraw the reference to hypocrisy so far as I am concerned.

Mr. DUNNING: I shall withdraw nothing; I made no reference to any member of this House as an individual. I asked, "Why this hypocrisy;" I intend to stick to it, and it is not out of order.

Mr. GARLAND (Bow River): Then I would ask the committee to rise and report progress, as it is now six o'clock.

Mr. ELLIOTT: May I just say a word?

The CHAIRMAN: No, I must put the motion.

Motion negatived.

Mr. ELLIOTT: May I just say a word by way of explanation to my hon. friend?

Mr. GARLAND (Bow River): May I interrupt the hon. gentleman?

Some hon. MEMBERS: Order.

The CHAIRMAN: Order.

Mr. GARLAND (Bow River): Is it not customary that a request to continue after six o'clock must be unanimous?

Mr. ELLIOTT: No, I think the House is master of its own deliberations. In order that there may be no misunderstanding, let me say to my hon. friend that the estimates we are now passing are almost all revotes of items which were in the supplementary estimates of last year, and which we were unable to spend. If there are any particular items on which my hon. friends would like any information I shall be pleased to give it, but they are all for dredging and repairs to wharves and so on, work deemed to be absolutely essential, and unfortunately we were not able to do nearly as much as the engineers reported to be necessary.

Mr. WOODSWORTH: Now, Mr. Chairman, may I have some answer to the question which I put before, as to whether when these supplementaries are passed we may have some assurance that next year the estimates will be referred to an appropriate committee early in the session?

Mr. MACKENNZIE KING: If my hon. friend moves that any estimates now being passed should go before a committee at the next session, the House will have the right to pass upon that motion and the government will be only too glad to abide by the decision of the House.

Mr. MACDOUGALL: Just before we pass that item, there was such a din and uproar in the House that I did not have an opportunity to say what I desired. I notice an item in which I am particularly interested, and concerning which I have made very strong representations not only to the present Minister of Public Works but to his predecessor. This item provides for very urgent harbour improvements at Port Hood in my constituency, and is for $16,500. I am not criticizing the minister at all, in fact I commend him for making this appropriation. I desire to impress upon him, however, the urgency of this work and wish to ask if it is the intention of his department to commence work during the early summer, because the fishermen of this community for a distance of some ten miles along the sea coast, are deprived of any safe harbour and have been so deprived for a number of years. They have made representations through their representatives in parliament that this work be done, and this item will fill a long felt want.

Mr. ELLIOTT: In answer to my hon. friend I would say that nearly all these items were voted in the supplementaries last year, but because we were working under governor general's warrants we could not proceed with them. Of this vote $1,196,000 was included in the supplementary estimates, and

$1,268,000 in the main estimates of last year. All this work is most urgent, since only that urgent work is being done, and the instructions from the department are to carry it out at the greatest possible speed, because much of it is work which should have been done last year.

Mr. MACDOUGALL: Then I take it that the work will be commenced this summer?

Mr. ELLIOTT: Yes, it is the intention that everything in this list will be commenced this summer.

Mr. GEARY: I would like to ask the minister to carry his figures one step further and tell us how much of these estimates are new and find themselves placed here for the first time. They should be taken up separately, item by item, because it is no way to pass estimates en bloc.

The CHAIRMAN: Shall the item carry?

Mr. GEARY: Mr. Chairman, I am not going to be shut off in that way. I have asked a question of the Minister of Public Works, and I would like an answer.

Mr. ELLIOTT: I might say that the total of these items voted last year in the main estimates is $1,268,000, and the total amount voted in the supplementaries last year is $1,196,335. That means that we have approximately $2,500,000 of last year's estimates included this year.

Mr. GEARY: But I want to know how much of this vote is new?

Mr. ELLIOTT: The difference, including the legation and improvements in Ottawa, will be nearly $2,000,000.

Mr. KAISER: May I ask the minister if the vote of $5,000 for Oshawa is a revote or a new vote?

Mr. ELLIOTT: That is a new vote.

Mr. KAISER: It is no doubt more than we deserve, but I want to point out that twenty-six years ago the Liberals started to build us a harbour; and I understand it will take twenty-one years more, or in all fifty years to build a little pier.

Item agreed to.

Public Works—Saskatchewan and Alberta, $36,000.

Mr. COOTE: I would like to draw to the attention of hon. members of this House, who are always telling us how much Canada has done for the west, the difference between the size of this vote and the amounts voted for the other provinces.

Item agreed to.

Public Works—British Columbia, $259,000.

Mr. DICKIE: I wish to say a few words in connection with this item. I do not wish to strike a discordant note at this stage of the session, but I am quite prepared to speak, if necessary, on the life history of the teredo and the barnacle, the injurious effects of which the minister knows. I have just one little matter to bring up for consideration. In the little town of Port Washington it has been recommended by Mr. Ford, the District Engineer, that $3,500 be expended in the construction of a wharf or in the repair of the existing wharf. I know that amount is justified, and I do not like to see these people penalized because they may have made a mistake in the way they voted in the last election. I would like to have an assurance that this money will be expended, otherwise I will be compelled to talk for about two hours and a half on the life history of the teredo from the time it emerged from the primordial ooze down to the present.

Mr. ELLIOTT: I know my hon. friend does not intend to be unfair, but if I am correct, all these votes are in ridings which did not vote perhaps as wisely as they might have voted in the last election. In regard to the matter my hon. friend speaks of we have a certain general vote to take care of wharves and harbours. He mentions an item of $3,500. That is a fairly large amount to be taken out of the general vote but if it is possible I would be glad to have the work done provided it is more urgent than anything else which needs attention.

Mr. BRADY: I do not intend to keep the minister more than one minute, but I feel that it is my imperative duty to draw the attention of the minister to the state of the Prince Rupert fishing fleet.

Mr. ELLIOTT: I think that is what my hon. friend spoke to me about before. I have it in mind.

Mr. BRADY: I have only one request to make and it is this—that by a happy, I will call it fortuitous, amendment, vote 452 was rescinded by the House half an hour ago and it totals $13,560. Now if the minister would only transfer that $13,560 to the task of caring for the floats at Prince Rupert, where

there are 300 fishing boats worth over a million dollars, I would be indeed gratified in the interests of the fishing fleet. I ask the minister now if he will be so kind as to get the Prime Minister to do that.

Mr. ELLIOTT: I think my hon. friend knows my views on this subject, because he cannot be charged with any neglect of this harbour or any of the other harbours in his section of British Columbia. There is a general vote provided and it cannot all go to my hon. friend nor to any other hon. member, but I may say to him that it will be utilized to the very best possible advantage.

Mr. BRADY: I would point out to the minister that there are 300 vessels at Prince Rupert, and it is of the greatest importance that provision be made for their safety. I therefore ask that the vote in question be transferred for the float in question to help to protect their craft.

Item agreed to.

To hereby provide, notwithstanding anything contained in the Consolidated Revenue and Audit Act, or any other act or law, for payment out of the consolidated revenue fund to Robinson Russell Farrow, of an annuity at the rate of $5,646.40, to commence from August 7th, 1926, and to continue thereafter at the above rate during his lifetime, $9,319.57.

Mr. EULER: In the report of the parliamentary committee appointed last year to inquire into the Customs department a recommendation was made providing for the retirement of certain officials of that department. Among them was the then Deputy Minister of Customs and Excise. That report did not contemplate dismissal so that the official should lose his retiring allowance, but duirng the course of the debate a member of the House moved an amendment that the official be dismissed with the result that his retiring allowance would be lost to him. I have no particular criticism to make of that amendment except to say that I believe we did something less than justice to the deputy minister at that time. The House I need not say was in a state of considerable excitement and I am inclined to believe—in fact, I do believe—that the report of the committee was perhaps a better considered report than the opinion expressed by the House on that memorable evening. The gentleman for whom an allowance is proposed to be made under this item served in the department ever since he was a boy—to be exact, for a period of forty-five years. During the last five years he was in office he made application for superannuation but his retirement was not permitted although he could have left the government service during any one of those five years and received an allowance.

Mr. CAHAN: Had he been paying into the superannuation fund?

Mr. EULER: He had been making payments for many years into the superannuation fund, and it seems to me that it is merely a matter of justice that we should restore to him now the rights he would have had if the report of the committee had been accepted.

Mr. KENNEDY: Is this the full amount that Mr. Farrow would have received had he retired?

Mr. EULER: Yes.

Mr. KENNEDY: The point I wish to make is that by this vote we are establishing the fact that a member of the civil service of Canada may allow his department to get into a state such as this department was found to be in last year by the Customs inquiry committee. Section 6 of the report of that committee reads as follows:

The evidence submitted to the committee leads to the general conclusion that for a long time the Department of Customs and Excise had been slowly degenerating in efficiency and that the process was greatly accelerated in the last few years.

And yet in spite of that expression of opinion we extend to this former official the same kind of treatment as if his department had been run in the most efficient manner. Under the circumstances I wish to protest against the passage of this item. There surely should be some distinction drawn between an official who manages his department honestly and efficiently and one who does not.

Mr. YOUNG (Saskatoon): In the report of the Customs inquiry committee last year, at page 3062, I find the following:

Mr. Kennedy moved: That the following clause be added to the report, viz:—

That the name of R. R. Farrow, deputy minister of Customs and Excise, be included in the list of those officers who have been delinquent in their duties, and whose services it is recommended should be dispensed with.

For that motion Messrs. Doucet and Kennedy voted. Those who voted against were Messrs. Bell (Hamilton), Bennett, Donaghy, Goodison, St. Père, and Stevens. I hope the hon. gentleman is proud of the company he was in on that occasion.

Mr. CAHAN: I do not think the reflections of the hon. gentleman will help this matter very much, and so I will pass them over. But

when a civil servant has been in the employ of this country up to a stage where he is entitled to an allowance if no misdemeanour has occurred, if a misdemeanour occurs on his part, I think he should be allowed, having paid into the pension fund during the time of his entire employment, to retire with an allowance equal to that which he would have received at the time he was entitled to retire before the misdemeanour occurred.

Mr. WOODSWORTH: As one who moved in this House last year a resolution along this line, I feel that I ought to say a word. I moved that resolution after consultation with the hon. member for Peace River (Mr. Kennedy) who on that committee represented more or less the independent members. It was because of his report of the revelations in the committee that some of us felt that this matter could not be passed over, and so I moved the resolution. The resolution was rejected, but this clause in it was afterwards included in another motion, and passed by the House. It read:

> And also in clause 13 to add the name of R. R. Farrow, Deputy Minister of Customs and Excise, to the list of those who are recommended that their services be dispensed with.

That resolution was passed by this House. This vote is being proposed a year later over the head of a resolution passed by the last parliament. That in itself is a serious situation. Further than that, some of us who felt that we had to take some position to discipline, shall I say, those who are responsible for conditions in the Customs department, made it clear that we did not want to be hard on any of those men. The under officials were summarily dismissed. The deputy minister, according to the recommendations of the committee, remained eligible for full pension. I urged at that time that a certain amount of clemency should be exercised, and that recommendations should be brought in to provide that the men who were dismissed should receive some consideration; that they should not be turned, as it were, on the street. Again I suggest that it is a serious matter, if, after a man has been shown to have been to no small extent responsible for a number of years for the condition in the department, he should then receive no punishment whatever, but rather should be permitted to enjoy his full pension just as if he had been an honourable and efficient servant to the end. I cannot but remember that there are to-day men who are spending years in our gaols and penitentiaries on account of small thefts, slight irregularities in their conduct, and yet to-day we propose not merely to refuse to punish this man in any way, but to retire him on full pension. I feel that unless we are going to rise to that point where we are willing to remit all penalties and treat the poorest in our land in this generous fashion, some of us can not let this vote pass without a decided protest. It was not pleasant for me to take this position. Although I have not known Mr. Farrow personally I understand he was for many years a respected official, and he has already suffered much. But I feel the impression must not be permitted to go throughout the country that a man who is highly placed is to be given one type of treatment while the poorer or subordinate offender is discriminated against.

Mr. BELL (Hamilton): As one who served on that committee I quite concur, as a matter of generality, in the stand that was taken by the hon. member for Peace River. It is only fair to say that he was consistent in that stand, but it should also be stated that, before the report of the committee was brought in, the case of this particular official was given earnest consideration for a matter of two or three days, and the majority report of the committee was reached only after the most careful consideration of his case. Having regard to all that then came before the committee and all that we have heard that has occurred in connection with the matter, I can only say as a member of that committee that I endorse every word which the Minister of Customs has just stated to the House.

Mr. KENNEDY: I want to reply to the statement made by the hon. member for Saskatoon (Mr. Young) who referred to the company which I was keeping last year. Let me tell him that I am as proud of the company I kept last year on the customs committee as the company I kept this year on the railway committee, and that is not saying anything against either of them. I wish simply to protest and to put myself on record as holding the view that, by this appropriation, we are not dealing fairly with officials in the civil service who maintain their record clean and efficient to the end. I know, because of the feeling of the House, it is of no use moving a motion to reduce this item or to strike it out; but notwithstanding that, a principle is involved, and I want to go on record as saying that the action that is being taken is wrong.

Mr. SPENCER: I want to support the hon. member for Peace River in his contention.

Item agreed to.

Resolutions reported.

CONCURRENCE

The House proceeded to consider certain resolutions reported from committee of supply.

Resolutions concurred in.

WAYS AND MEANS

SUPPLY BILL

Hon. J. A. ROBB (Minister of Finance) moved that the House go into Committee of Ways and Means.

Motion agreed to, and the House went into committee, Mr. Johnston in the chair.

Mr. ROBB moved:

Resolved that towards making good the supply granted to His Majesty for the fiscal year ending 31st March, 1928, the sum of $234,934,632.06 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolutions reported and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 340, for granting to His Majesty certain sums of money for the public service of the financial year ending March 31, 1928.

Motion agreed to and bill read the first and second time.

Mr. ROBB moved:

That the said bill be now read a third time.

Hon. HUGH GUTHRIE (Leader of the Opposition) moved:

That all the words after "that" in the motion be struck out and the following substituted therefor, namely:

The bill be not now read a third time but that it be referred back to the committee of the whole with instructions to the said committee that it have power to reduce vote No. 467 schedule C, by the sum of $475,000.

This matter was discussed when a similar motion was made in the committee last night. I do not need to repeat what was then said; I simply wish to have the opinion of the House taken in regard to it.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am prepared to follow the example of my hon. friend, and to say, I do not think it is necessary to add anything to what was said last night, and I hope the House will vote on this amendment as emphatically as it did in the committee.

The House divided on the amendment (Mr. Guthrie) which was negatived on the following division:

[Mr. Spencer.]

YEAS

Messrs:

Anderson (Toronto-High Park),
Barber,
Bell (St. John-Albert),
Black (Halifax),
Bowen,
Brady,
Carmichael,
Chaplin,
Cotnam,
Dickie,
Edwards (Frontenac-Addington),
Edwards (Waterloo South),
Embury,
Esling,
Evans,
Fansher (Last Mountain),
Fraser,
Garland (Carleton),
Grimmer,
Guthrie,
Harris,
Kaiser,
Lucas,
Macdonald (Kings),
Macdougall,
MacLaren,
MacNutt,
McGregor,
Matthews,
Maybee,
Pettit,
Preston,
Price,
Quinn,
Rennie,
Robinson,
Ross (Kingston City),
Ryckman,
Ryerson,
Short,
Simpson,
Smoke,
Spence (Parkdale),
Stewart (Leeds),
Stirling,
Tolmie,
Tummon,
Young (Toronto Northeast.—48.

NAYS

Messrs:

Adshead,
Allan,
Auger,
Bancroft,
Beaubien,
Benoit,
Bettez,
Blanchard,
Boivin,
Bothwell,
Bouchard,
Boucher,
Boulanger,
Bourgeois,
Bradette,
Brown,
Cannon,
Cardin,
Cayley,
Denis (St. Denis),
Denis (Joliette),
Descoteaux,
Deslauriers,
Dionne,
Donnelly,
Dunning,
Dussault,
Edwards (Ottawa),
Elliott,
Fafard,
Fiset (Sir Eugene),
Fontaine,
Forke,
Gardiner,
Girouard,
Glen,
Heenan,
Hepburn,
Howden,
Ilsley,
Irvine,
Jelliff,
Jenkins,
Johnston (Long Lake),
King (Kootenay East),
King, Mackenzie (Prince Albert),
Laflamme,
Langlois,
Lang,
Lapierre,
Letellier,
Lovie,
Macdonald (Glengarry),
MacLean (Prince),
McLean (Melfort),
McDiarmid,
McIntosh,
McKenzie,
McMillan,
McPhee,
Millar,
Milne,
Morin (Bagot),
Motherwell,
Neill,
Odette,

Perras,
Power,
Ralston,
Robb,
Roberge,
Robitaille,
Ross (Moose Jaw),
Rutherford,
St-Père,
Sinclair (Queens),
Smith (Stormont),
Spence (Maple Creek),
Spencer,
Steedsman,
Stewart (Edmonton West),
Taylor,
Telford,
Totzke,
Vallance,
Verville,
Ward,
Woodsworth,
Young (Weyburn).—89.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Pouliot,
Young (Saskatoon),
Parent,
Rhéaume,
Howard,
Mercier (St. Henri),
Baldwin,
Gershaw,

Lacroix,
Marcil,
Jacobs,
Mercier (Laurier-Outremont),
Goodison,
Lacombe,
Hall,

Morin (St. Hyacinthe),
Guérin,
Euler,
Hay,
Duff,

Malcolm,
Kay,

Tobin,
Sanderson,
Lapointe,
Veniot,
Dubuc,
Morrissy,

Hubbs,
Wilson (Vaudreuil),
Desaulniers,
Lanctôt,
Sylvestre,
Gervais,
Cahill,
Thorson,
McPherson,
Lennox,
McGibbon,

Boys,
Gott,
Casselman,
Bell (Hamilton West),
Johnstone,
White (London),
Rowe,
Perley,
Cahan,
Geary,

Stinson,
Peck,
Sinclair (Wellington North),
McRea,

Maloney,
Manion,
Ladner,
Smith (Cumberland),
Stevens,
Wilson (Wentworth),
Drayton,
Senn,
Bennett,
Hanson,
Church,
Anderson (Halton),
Hay,
White (Mount Royal),
Clark,
Hocken,
Ernst,
McQuarrie,
Thompson,
Cowan,
Macdonald (Richmond),
Delisle,
Prévost,

Rinfret,
Lacombe,
Bissett,
Cantley,
Black (Yukon),
Jones,
Arthurs,
MacDonald (Cape Breton South),

Mr. GEARY: I was paired with the hon. member for Laurier-Outremont (Mr. Mercier). Had I voted, I would have voted for the amendment.

Mr. SMITH (Cumberland): I was paired with the hon. member for Antigonish-Guysborough (Mr. Duff). Had I voted, I would have voted for the amendment.

Mr. WHITE (London): I was paired with the hon. member for Medicine Hat (Mr. Gershaw). Had I voted I would have voted for the amendment.

Mr. KAY: I was paired with the hon. member for Wentworth (Mr. Wilson). Had I voted, I would have voted against the amendment.

Mr. GOTT: I was paired with the hon. member for Jacques Cartier (Mr. Rheaume). Had I voted, I would have voted for the amendment.

Mr. CAHAN: I was paired with the hon. member for Cartier (Mr. Jacobs). Had I voted I would have voted for the amendment.

Mr. BELL (Hamilton): I was paired with the hon. member for St. Henri (Mr. Mercier). Had I voted, I would have voted for the amendment.

Mr. MARCIL: I was paired with the hon. member for Argenteuil (Sir George Perley). Had I voted, I would have voted against the amendment.

Motion (Mr. Robb) agreed to on same division reversed, and bill read the third time and passed.

MESSAGE FROM THE GOVERNOR GENERAL'S SECRETARY

PROROGATION OF PARLIAMENT

Mr. SPEAKER: I have the honour to inform the House that I have received the following message:

Ottawa, April 14, 1927.

Sir,

I have the honour to inform you that the Right Hon. F. A. Anglin, acting as the deputy

of the Governor General, will proceed to the Senate chamber on Thursday, April 14, at 8.15 p.m. for the purpose of proroguing the present session of parliament.

I have the honour to be, Sir,

Your obedient servant,

F. L. C. PEREIRA,
Deputy Assistant Secretary
to the Governor Genaral.

At 7.40 p.m., Mr. Speaker declared the sitting suspended until 8.15 p.m.

The House resumed at 8.15 p.m.

PROROGATION OF PARLIAMENT

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Deputy of His Excellency the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

In the Senate chamber, the Right Honourable the Deputy Governor General was pleased to give, in His Majesty's name, the royal assent to the following bills:

BILLS ASSENTED TO

An Act to amend The Food and Drugs Act, 1920.

An Act for the relief of Dorothy Helen Murray.

An Act for the relief of Lotta Maria McGregor.

An Act for the relief of Harriett Louisa May MacCarthy.

An Act for the relief of Adelaide Mildred Maguire.

An Act for the relief of Dmytro Pushkedra.

An Act for the relief of Muriel Helen Louise Dunn.

An Act for the relief of William Henry Poultney.

An Act for the relief of Cecil Chester Richardson.

An Act for the relief of Bertha Amelia Bertelet.

An Act for the relief of Evelyn May Bateman.

An Act for the relief of Fannie Louise Dance.

An Act for the relief of Sarah Simpson.

An Act for the relief of Percy Compton.

An Act for the relief of Hazel Green Anderson.

An Act to incorporate Gatineau Transmission Company.

An Act respecting certain patents owned by Albert P. Frigon.

An Act for the purpose of establishing in Canada a system of Long Term Mortgage Credit for Farmers.

An Act respecting Commercial Travellers Mutual Insurance Society.

An Act to amend an Act to provide compensation where employees of His Majesty are killed or suffer injuries while performing their duties.

[Mr. Speaker.]

An Act to amend an Act respecting the Construction of a Canadian National Railway Line, being a joint section from Rosedale southeasterly in the Province of Alberta.

An Act respecting a certain patent of Enos Henry Briggs.

An Act to incorporate The President of the Lethbridge Stake.

An Act respecting The Bronson Company.

An Act respecting Joliette and Northern Railway Company.

An Act to amend "An Act respecting The Brandon, Saskatchewan and Hudson's Bay Railway Company."

An Act respecting the Baptist Convention of Ontario and Quebec.

An Act for the relief of James Edward Barnaby.

An Act for the relief of Helen Pettit Bruce.

An Act for the relief of Hugh Devlin.

An Act for the relief of Charles Wilson.

An Act for the relief of Josephine Rae Ennis.

An Act for the relief of Della Laurel Cox.

An Act for the relief of Rose Glucksberg.

An Act for the relief of Murray Richard Minler.

An Act for the relief of John Leslie MacLellan.

An Act for the relief of Elizabeth Brown.

An Act for the relief of Matilda Emily Cantrell.

An Act for the relief of Mary Ellen Walker.

An Act for the relief of Edwin Walter Wood.

An Act for the relief of Harriett Robinson.

An Act for the relief of Homera Emilie Hodgson.

An Act for the relief of Paul Elester Scarr.

An Act for the relief of Ronald Lorne Johnston.

An Act for the relief of Eva O'Neill.

An Act for the relief of Mabel Beatrice Nash.

An Act for the relief of Isabella Emily Blue.

An Act for the relief of Cherie Amy Aston.

An Act for the relief of Ida Gertrude LeFevre.

An Act for the relief of Inez Mary Pitcher.

An Act for the relief of Charles Murray Mutch.

An Act for the relief of Estelle Henrietta Cartwright.

An Act for the relief of Ronald Ross File.

An Act for the relief of Grace Mantle.

An Act for the relief of Emma May Ryan.

An Act for the relief of Muriel Martha Hammond.

An Act for the relief of Anna Mae Francis.

An Act for the relief of Harold James Hubbard.

An Act for the relief of Indiaetta Muriel Taylor.

An Act for the relief of William Arthur Dillabough.

An Act for the relief of James Alfred McCabe.

An Act for the relief of Frederick George Jones.

An Act for the relief of Manford York.

An Act for the relief of Queenie Isobel Parks.

An Act for the relief of Charles Shedrick Phillips.

An Act for the relief of Lavina Harrison.

An Act for the relief of Marretta Isobelle Crosse Leach.

An Act for the relief of Mabelle Amelia Bulmer.
An Act for the relief of John Lauron Garfield Evans.
An Act for the relief of Ernest Arthur Kingston.
An Act for the relief of Norah Louise Patricia Campbell Chauvin.
An Act to amend The Soldier Settlement Act, 1919.
An Act respecting certain debts due the crown.
An Act respecting certain patents of James McCutcheon Coleman.
An Act for the relief of Amelia Chester.
An Act for the relief of Elsie Adams.
An Act for the relief of Frederick George Elliott.
An Act for the relief of Sidney Alfred Tyers.
An Act for the relief of Margaret Ann Hall.
An Act for the relief of Electa Minerva Meades.
An Act for the relief of George Allan Swift.
An Act for the relief of Kathleen Maud Cotton.
An Act for the relief of Gertrude Thompson.
An Act for the relief of Jessie Isobel Davidge.
An Act for the relief of Zelpha Evyleen Root.
An Act for the relief of May Alice Moorhouse.
An Act for the relief of Charles Auguste Brosseau.
An Act for the relief of Celia Kornblum.
An Act for the relief of Alice Elizabeth Fegan.
An Act for the relief of Della Bishop.
An Act for the relief of Cecilia Lucy Holloway.
An Act for the relief of Carl Stanley Ryerse.
An Act for the relief of Samuel Clement Askin.
An Act for the relief of Pearl Lavinia Rorke.
An Act to amend the Post Office Act.
An Act for the relief of Jessie Wright.
An Act for the relief of Audrey Idelle Knowles.
An Act for the relief of William Edward Couch.
An Act for the relief of Clara Cairney.
An Act for the relief of Annie Sophia Gordonsmith.
An Act for the relief of May Elizabeth Chambers.
An Act for the relief of Violet Gladys Cockerton.
An Act for the relief of Mary Eleanor Kennedy Lodden.
An Act for the relief of Arlee Lillian Helmsley.
An Act for the relief of Merton Egbert Ellsworth Kittredge.
An Act for the relief of William Newton Anglin.
An Act for the relief of Annendale Ramsden.
An Act for the relief of Willie Rosenberg.
An Act for the relief of John Henry Fisher.
An Act for the relief of Leo Bruce Burley.
An Act for the relief of Hilda Parker.
An Act for the relief of Gladys Ivy Turner.
An Act for the relief of Rose Ann Hill.
An Act for the relief of Annie Mary Ann McCulloch.
An Act for the relief of George Holvil Fleet.
An Act respecting the Halifax Harbour Commissioners.
An Act relating to the Harbour of Saint John in the Province of New Brunswick.
An Act to encourage the Production of Domestic Fuel from coal mined in Canada.
An Act to amend an Act of the present session intituled "An Act respecting The Department of National Revenue."
An Act to provide annuities for the Widows of Certain Civil Servants.
An Act to amend The Canada Grain Act.
An Act to amend The Loan Companies Act, 1914.
An Act to amend the Winding-up Act.
An Act to amend The Trust Companies Act, 1914.
An Act to provide for a loan to the Vancouver Harbour Commissioners.
An Act to amend The Special War Revenue Act, 1915.
An Act to amend The Insurance Act, 1917.
An Act to provide for a loan to the Chicoutimi Harbour Commissioners.
An Act to amend the Trade Mark and Design Act.
An Act respecting the Canadian National Railways and the tariffs of tolls to be charged on certain Eastern lines.
An Act to amend the Act respecting the Department of Marine and Fisheries.
An Act to amend The Fruit Act.
An Act to amend The Chicoutimi Harbour Commissioners' Act, 1926.
An Act to amend the Canada Shipping Act.
An Act to amend the Excise Act.
An Act to amend the Dominion Elections Act.
An Act to amend the Customs Act.
An Act to incorporate The Premier Guarantee and Accident Insurance Company of Canada.
An Act respecting a certain patent owned by Chester Earl Gray and Aage Jensen.
An Act to amend The Live Stock and Live Stock Products, Act, 1923.
An Act for the relief of Gordon Hiram Langford.
An Act for the relief of Amanda Leona Chowns.
An Act for the relief of Edwin George Winfield.
An Act for the relief of Beulah Faye Wood.
An Act for the relief of Jane Rennie.
An Act for the relief of Dora Louisa Eliza Maxwell.
An Act for the relief of Lillian Moir.
An Act for the relief of Gertrude Isabell Middlebrook.
An Act for the relief of George James White.
An Act for the relief of Maud Cummings.
An Act for the relief of Wilhamina Susanna Annis.
An Act for the relief of Dorothy Mildred Jeffery.
An Act for the relief of Sadie Feder Gelfand.
An Act for the relief of Orma Maunder.
An Act for the relief of Isabella Jane Boyes Brew.
An Act for the relief of John Falko.
An Act for the relief of Mary Edna Thompson.
An Act for the relief of Charles Edward Thompson.

An Act for the relief of Halsey Vanderleith Welles.

An Act for the relief of Henry Raymond Mugridge.

An Act for the relief of Laura Gertrude Sutherland.

An Act for the relief of Edith May McColl.

An Act for the relief of Katherine Alison Pomphrey Weldon.

An Act for the relief of Marion Scott.

An Act for the relief of Lillian Maud Oram.

An Act for the relief of Arthur James Carey.

An Act for the relief of James Robert Kendrick.

An Act for the relief of Richard Thomas Keeth Stinchcombe.

An Act to incorporate Commerce Mutual Fire Insurance Company.

An Act respecting the Algoma Central and Hudson Bay Railway Company.

An Act respecting a certain patent of R. T. Vanderbilt Company.

An Act respecting The Sterling Trust Corporation.

An Act for the relief of Charles William John Walker.

An Act for the relief of John Stewart Walker.

An Act for the relief of Percy Ashley Davis.

An Act for the relief of Edward Henry Ball.

An Act for the relief of Mary Saranchuk.

An Act for the relief of Dorothy Ruth Hoffman.

An Act for the relief of Frederick Wilson McLean.

An Act respecting certain patents owned by the Sealright Company, Inc.

An Act to incorporate Guardian Trust Corporation of Montreal.

An Act to incorporate The Independent Order "Fior d'Italia."

An Act respecting The Midland Railway Company of Manitoba.

An Act to incorporate The Free Methodist Church in Canada.

An Act to incorporate "La Congrégation de Saint-Dominique du Tiers-Ordre enseignant."

An Act to incorporate North American Relations Foundation.

An Act respecting The Subsidiary High Court of the Ancient Order of Foresters in the Dominion of Canada.

An Act respecting the Federal District Commission.

An Act to amend The Three Rivers Harbour Commissioners' Act, 1923.

An Act to regulate the Sale and Inspection of Agricultural Economic Poisons.

An Act to amend The Civil Service Superannuation Act, 1924.

An Act for the relief of Fanny Mayer.

An Act for the relief of Joseph Albert Georges Lachance.

An Act to amend the North West Territories Act.

An Act to amend The Pension Act.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1928.

To these bills the royal assent was pronounced by the Clerk of the Senate in the following words:

[Mr. Speaker.]

In His Majesty's name the Right Honourable the Deputy Governor General doth assent to these bills.

Then the Honourable the Speaker of the House of Commons addressed the Right Honourable the Deputy Governor General as follows:

May it please Your Honour:

The Commons of Canada have voted supplies required to enable the government to defray certain expenses of the public service.

In the name of the Commons I present to Your Honour the following bill:

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1928.

To which bill I humbly request Your Honour's assent.

To this bill the Clerk of the Senate, by command of the Right Honourable the Deputy of His Excellency the Governor General, did thereupon say:

In His Majesty's name, the Right Honourable the Deputy Governor General thanks his loyal subjects, accepts their benevolence, and assents to this bill.

GOVERNOR GENERAL'S SPEECH

After which the Deputy of His Excellency the Governor General was pleased to close the first session of the sixteenth parliament of the Dominion of Canada with the following speech:

Honourable Members of the Senate:

Members of the House of Commons:

I desire to express my appreciation of the expedition with which you have discharged your duties in a Session marked by much important legislation. The revision by the House of Commons of its rules should serve to expedite the transaction of public business at future Sessions.

Important government measures which passed the House of Commons during the last Parliament, but which failed to become law have now been passed by both Houses, and have received the Royal Assent. They include provision, in coöperation with the provinces, for a system of long term mortgage loans for farmers and for old age pensions. Amendments have been made to the Canada Grain Act, affecting the grain growing interests, and equally important amending legislation has been enacted affecting live stock interests.

The increasingly satisfactory showing of the Canadian National Railways' net earnings affords concrete evidence of our expanding trade and commerce. The extension of the Canadian National railway system by another comprehensive program of branch line construction, will make possible the rapid development of communities hitherto lacking railway facilities. Further substantial provision has also been made for work on the Hudson Bay route. The Agreement concerning the Grand Trunk Pacific Debenture Issue has been approved.

The expansion of our trade, which is rapidly penetrating the diversified markets of the world, is further reflected in the increasing im-

portation of raw material for the use of our manufacturers and a corresponding increase in our exportation of manufactured goods. Our exports of food products continue satisfactory. Supplementing the work of the Empire Marketing Board, provision has been made to assist in a substantial manner the marketing of Canadian produce in Great Britain. Arrangements are also nearing completion for the improved steamship service to the British West Indies.

The favourable consideration given the recommendations of the Royal Commission appointed to examine and report upon conditions in the Maritime Provinces, has been received with general approval throughout the Dominion. The substantial money grants made to these provinces, the reduction to be effected in their freight rates, the encouragement given the production of domestic fuel from coal mined in Canada, the provision for a Deputy Minister of Fisheries, and for Harbour Commissions at Halifax and St. John, together with other administrative measures contemplated in accordance with the recommendations of the Commission, will, it is confidently expected, materially assist in furthering the economic prosperity of Nova Scotia, New Brunswick and Prince Edward Island, and in advancing the welfare and unity of the whole Dominion.

The protection of the public revenues has been enhanced by the heavier penalties provided for violation of the Customs and Excise laws and by the consolidation of the Customs, Excise and Income Tax branches of the public service into one Department of the Government to be known as the Department of National Revenue.

Additional protection for the public has been afforded by the amendments made to the laws respecting insurance, loan and trust companies.

Amendments of importance to ex-soldiers have been made to the Pension Act, extending the period for filing pension claims, and making provision for a second appeal in case of newly discovered evidence.

The position of the Civil Service of Canada has been improved with respect alike to salaries and superannuation.

To aid in the celebration of the sixtieth anniversary of Confederation, a National Committee has been incorporated. Its efforts have been directed to securing, in coöperation with the provinces, a worthy commemoration of this important stage in our national development. Especially appropriate is the constitution at this time of a Federal District Commission with enlarged jurisdiction and powers in respect of the permanent beautification of the Capital of our Dominion.

Members of the House of Commons:

It is gratifying to know that you have been able to effect further substantial relief from taxation. I thank you for the provision you have made for the public service.

Honourable Members of the Senate:

Members of the House of Commons:

The Minister Plenipotentiary accredited by His Majesty to represent the Dominion of Canada in the United States has presented his credentials and has entered upon his duties. The President of the United States has appointed the former United States Ambassador to Belgium as Minister Plenipotentiary in Canada; the new Minister will shortly take up his duties at Ottawa. This exchange of representatives will undoubtedly help to maintain and develop the existing good relations between the two countries.

The prosperity which Canada so happily enjoys at the present time gives every indication of continuing in increasing measure. For this, and many other blessings upon our land, I join with you in heartfelt thanks to Divine Providence.

This concluded the first session of the sixteenth parliament.

END OF VOLUME II